2000 2001 Annual Report

GOVERNMENT OF ALBERTA

REPORT TO ALBERTANS ON BUDGET 2000 – NEW CENTURY, BOLD PLANS

INCLUDES: CONSOLIDATED FINANCIAL STATEMENTS, MEASURING UP — PERFORMANCE RESULTS

Alberta
GOVERNMENT OF ALBERTA

This is the report to Albertans on **Budget 2000 – New Century, Bold Plans**. It is a permanent public record of ALL the dollars spent and the results achieved by the Government of Alberta for the 2000-01 fiscal year.

101-05601/

ACCOUNTABILITY STATEMENT

The government's Annual Report for the year ended March 31, 2001 was prepared under my direction on behalf of the government in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at June 20, 2001 with material economic or fiscal implications have been considered in the preparation of the Annual Report.

Patricia L. Nelson
Minister of Finance

New Century. Bold Plans.

A MESSAGE FROM THE MINISTER OF FINANCE

In keeping this government's commitment to be open and accountable, we provide an annual report at the end of each fiscal year to show our financial and performance results. The actual results are compared to the estimates and targets established in the previous year's budget. This lets Albertans see if we accomplished what we set out to do.

Budget 2000 was a bold plan for a new century. It focused on priorities Albertans had previously established and built on them. These priorities included paying down the debt, lowering taxes, and protecting and improving programs that mattered most to Albertans like health care, education and building an even stronger economy.

TAX REDUCTIONS

This past year, Alberta saw changes either announced or implemented to personal, business and school property taxes that will leave more money in the pockets of taxpayers.

A significant step was taken on January 1, 2001, as Alberta moved to the single-rate tax. The 10 per cent single tax rate will save Albertans more than $1.1 billion in personal income taxes in 2001. By raising the personal, spousal and equivalent-to-spousal exemptions to $12,900, Albertans can earn more money without paying any provincial income tax at all. As a result of these changes, over 200,000 additional lower income Albertans will be removed from the provincial tax rolls. This date also saw $135 million cut from education property taxes, with the revenue frozen for future years.

In September 2000, business tax cuts were announced. In 2001-02, businesses will save $286 million in taxes. When the plan is fully implemented, over the next four years and subject to affordability, business will save $1 billion.

These changes solidify Alberta's position as the lowest overall taxed province in Canada. They also make our province competitive internationally as we step into a new century.

DEBT REDUCTION

In 1999-2000, we celebrated the elimination of the net debt and became the first province to own more than it owes. This fiscal year, we took the first step in eliminating our remaining debt. Due to record resource revenues in 2000-01, we were able to allocate debt payments of over $5 billion. The allocation will reduce the accumulated debt to $6.6 billion, which is about a $300 million improvement from the third quarter fiscal update. This puts us nine years ahead of our legislated 25-year payment schedule. Lower debt will also mean lower debt servicing costs. This is money that will be forever freed up to use on Albertans' priorities.

PRIORITY SPENDING

Because of strong economic and population growth, there were increased demands on the infrastructure and services of the province. This past year saw increases in funding for health, education, transportation and other infrastructure as well as other one-time spending initiatives funded from record resource revenues.

Along with tax reductions and debt elimination, education and health are areas that Albertans have listed as priorities through a variety of consultations. In fact, in 2000-01, 58 per cent of government spending was on health care and education and included funding for new schools, hospitals, medical equipment and staff.

As the province benefited from high resource revenues, Albertans shared more than $1 billion in refunds and rebates to help with the higher energy-related costs. Farmers and ranchers also received benefits to help address their specific concerns.

ECONOMY

With a strong economy, there comes opportunities for Albertans. Over the past year nearly 35,000 jobs were created and Alberta had the lowest unemployment rate since 1981.

We had the highest disposable income per capita in Canada, growing by over seven per cent in 2000-01. A strong economy and tax cuts give Albertans even more freedom to choose how they want to spend, save or invest their money.

Alberta is in a great position to keep building on the bold plans set out in Budget 2000. Our government knows it cannot depend on record resource revenues every year. However, by staying on track with our commitments to the *Fiscal Responsibility Act* and to the people of Alberta, we will continue to respond to the needs of our province in the future.

Patricia Nelson

Patricia L. Nelson

Minister of Finance

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PREFACE

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 18 ministries.

This annual report of the Government of Alberta contains the Minister of Finance's accountability statement, the consolidated financial statements of the province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

On March 15, 2001, the government announced new ministry structures. Since the 2000-01 fiscal year was substantially completed prior to this announcement, ministry annual reports and financial statements are being prepared as if the restructuring took place on April 1, 2001, to provide proper accountability for the 2000-01 fiscal year against the original business plan.

The annual reports of ministries, released in the fall of each year, contain ministers' accountability statements, the audited consolidated financial statements of the ministries and a comparison of actual performance results to desired results set out in the ministry business plan. Each ministry annual report also includes:

- financial statements of entities making up the ministry including departments (all departments combined form the General Revenue Fund), regulated funds, provincial agencies and Crown-controlled corporations.
- other financial information as required by the *Financial Administration Act* and *Government Accountability Act*, either as separate reports or as part of financial statements, to the extent that the ministry has anything to report.
- financial information relating to accountable organizations and trust funds.

Executive Summary

2000|2001 Annual Report

GOVERNMENT OF ALBERTA

The Government of Alberta Annual Report is comprised of two parts:

- ***Consolidated Financial Statements***, which provide an overall accounting of the Government's revenue and spending, and assets and liabilities.
- ***Measuring Up***, which reports on the progress achieved on core government performance measures.

Annual reports for each ministry are published in September and provide additional detailed information on performance and financial results.

New Century. Bold Plans.

OVERVIEW OF RESULTS

Budget 2000 – New Century, Bold Plans, shifted the focus to the future. Within a framework of sound fiscal management and debt repayment, the budget set out the following priorities:

- Strengthening Alberta's tax advantage.
- Implementing a new economic strategy that builds upon traditional strengths and new knowledge-based industries.
- Improving the quality and accessibility of health, education and other key services.

These commitments were met.

- The budget was balanced and $6.4 billion was allocated to repaying debt and increasing the financial assets of the province. This included $500 million to establish a new science and engineering research endowment fund.
- The debt allocation will allow accumulated debt to be cut nearly in half to $6.6 billion.
- Personal income taxes, school property taxes and user fees were cut. A commitment was made to reduce business taxes by $1 billion over four years, subject to affordability.
- A new single-rate personal income tax plan was implemented on January 1, 2001.
- Infrastructure funding was accelerated to meet the requirements of Alberta's growing population and economy.
- Albertans were assisted with high energy costs. Assistance was provided to ranchers and farmers to help them with unpredictable world markets, poor weather and income pressures.
- The Six Point Plan to protect and improve public health care was implemented.
- Actions were taken to improve the quality and accessibility of education.

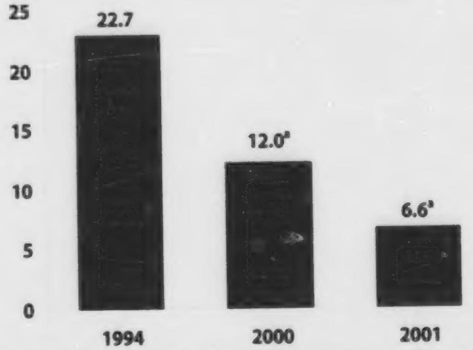
FISCAL RESPONSIBILITY

- The budget was balanced for the seventh year in a row. $5.4 billion was allocated to repaying debt and $1 billion was used to establish a new science and engineering endowment fund and other balance sheet improvements.
- High energy prices increased revenue to a record $25.6 billion, $6.5 billion higher than budgeted.
- Higher revenues resulted in a larger-than-budgeted economic cushion, of which nearly 80% was used to repay debt and increase the financial assets of the province.
- The *Fiscal Responsibility Act* requires the province's accumulated debt to be eliminated by 2025. With the 2000-01 debt allocation, the province is nine years ahead of schedule.
- Continued high energy prices could allow accumulated debt to be eliminated in just a few years. With this possibility, Albertans were asked in the *It's Your Money* survey what their priorities will be when Alberta is debt free.

ACCUMULATED DEBT

Less Cash/Accrued Revenue Set Aside for Future Debt Repayment

(billions of dollars)



[*] Less cash set aside for future debt repayment, $470 million in 1999-2000 and $2.1 billion in 2000-01. 2001 number has also been reduced by $1.6 billion for cash that will become available in 2001-02 from revenues accrued in 2000-01.

FISCAL SUMMARY

(millions of dollars)

	2000-01		1999-2000
	Budget[a]	**Actual**	**Actual**[a]
Revenue	**19,075**	**25,597**	**20,172**
Expense			
Program	16,732	18,044	16,425
Debt servicing costs	981	980	956
Pension provisions	19	14	(85)
Total expense	**17,732**	**19,038**	**17,296**
Net revenue	1,343	6,559	2,876
Less: Net increase in capital assets	149	185	74
Net results of operations	1,194	6,374	2,802
Remove pension provisions	19	14	(85)
Debt repayment/increase in financial assets[b]	**1,213**[c]	**6,388**[c]	**2,717**

[a] 2000-01 budget and 1999-2000 actual numbers have been restated to reflect an accounting change which increased revenue and expense by $4 million.

[b] Budget basis, excludes the change in pension provisions.

[c] Includes $500 million set aside in the budget to establish the Alberta Heritage Science and Engineering Research Endowment Fund.

ALBERTA'S ECONOMY

- In 2000, the Alberta economy grew by an estimated 6.1%, the highest growth among provinces.
- Employment grew by 2.2% or 34,900 new jobs. Alberta's unemployment rate averaged 5% in 2000, the lowest rate since 1981 and almost 2 percentage points lower than the national rate of 6.8%.
- Alberta had the highest personal disposable income per capita among provinces in 2000. Strong growth in personal income, the elimination of the provincial surtax and provincial tax rebates contributed to 7.1% growth in personal disposable income.
- Strong economic and population growth placed increased demands on Alberta's infrastructure. In 2000-01, the province accelerated infrastructure funding, providing over $2 billion for health facilities, schools, post-secondary institutions and other infrastructure.
- The province has increasingly focused on supporting knowledge-based and other value-added industries. A new $500 million endowment fund was created to support research in science and engineering. This endowment fund, in combination with other initiatives, is attracting a critical mass of researchers and companies in a wide range of industry sectors to Alberta.
- About $700 million in assistance was provided to farmers and ranchers in the 2000 crop year to help address risks of unpredictable world markets, poor weather and income pressures. Crop insurance premiums were reduced by 30%. The government also continued to support the sustainable growth and diversification of Alberta's agriculture sector through initiatives such as Ag Summit 2000.
- $1.2 billion in energy cost assistance was provided to Albertans and Alberta businesses in 2000-01. This included the first installment of the $690 million Energy Tax Refund ($345 million in 2000-01 and a further $345 million in 2001-02). An additional $2 billion in electricity assistance was provided in 2001 through proceeds from the Power Pool auctions.

ALBERTA'S TAX ADVANTAGE

- Changes were made to the tax system in 2000-01 that strengthen the province's position as the lowest taxed jurisdiction in Canada and make Alberta more competitive internationally.
- The introduction of the single-rate personal income tax system was accelerated. On January 1, 2001, Alberta moved to a single rate of 10%. The personal, spousal and equivalent-to-spousal exemptions were increased to $12,900. Albertans will save $1.1 billion in 2001, bringing the total personal income tax cut since 1998 to $1.5 billion or 23%.
- In September 2000, the Alberta Business Tax Review Committee recommended business tax cuts to ensure that Alberta remains globally competitive. Based on these recommendations, the government has introduced a schedule of tax reductions that will save business $1 billion by 2004-05. Subject to affordability, the general corporate income tax rate will be reduced from 15.5% to 8%, the small business rate will drop from 6% to 3% and the small business income threshold will rise to $400,000 from $200,000. The first phase was implemented on April 1, 2001.
- In January 2001, the government delivered a major and on-going cut in school property taxes. The amount of school property tax revenue, including tax revenue collected by opted-out school boards, was reduced by $135 million and frozen at the reduced level of $1.2 billion.

HEALTH

- Implementation of the Six Point Plan to protect and improve public health care proceeded in 2000-01. Health spending increased by 11.6% over the previous year to $5.9 billion.
- Increased funding was provided to address waiting times for diagnosis and treatment for procedures such as joint replacement, open heart surgery, angioplasties, cancer treatment and renal dialysis.
- Long-term care and home-care services were expanded.
- A two-year agreement was negotiated with the Alberta Medical Association which provides for increased fees for physician services, an increase in the number of physicians providing services to Albertans and the introduction of an "on-call" program for specialists. Funding was also provided to help recruit and retain specialists providing Province-Wide Services in the health system.
- A new $10 million endowment fund was created to support ongoing professional development and lifelong learning by registered nurses.
- A commitment was made to provide $1.5 billion (for 2000-04) for health care facilities and equipment. In 2000-01, this included $161 million to assist in the acquisition of medical equipment, including MRIs and other advanced medical equipment, and approximately $280 million to develop and upgrade health facilities.

EDUCATION

- Spending on basic and post-secondary education increased by 6.1% over the previous year to $5 billion.
- The new Alberta Initiative for School Improvement gave school boards the ability to undertake a range of improvement strategies such as early reading or numeracy interventions, smaller class sizes, and stay-in-school programs. Funding was also provided to increase the number of kindergarten hours.
- Amiskwaciy Academy, a pilot project aimed at better meeting the educational needs of Aboriginal students living in an urban environment, opened its doors in Edmonton on September 2000.
- Funding for post-secondary institutions was increased to help provide new entry spaces for students, with an emphasis on nursing, health technology, physicians, information and communication technology, and apprenticeship and industry training programs.
- The new Jason Lang Scholarship assisted almost 2,800 first-year undergraduate students. In addition, almost 9,000 awards were provided through the Alberta Heritage Scholarship Fund.
- A $1.3 billion New Century Schools Plan (for 2000-04) was announced to address high priority needs for new schools and school modernization.
- Over $440 million was committed (for 2000-04) to upgrade post-secondary facilities and equipment.

OTHER KEY INITIATIVES

- In response to the recommendations of the Children's Forum and the Report of the Task Force on Children at Risk, spending on services for children and their families increased by over 14%. This included increases for handicapped children's services and early intervention programs.
- Environmental initiatives included research funding to address greenhouse gas concerns and the effects of flaring on human and livestock health, new gas plant proliferation and flaring guidelines, and actions to remediate contaminated underground petroleum storage tank sites.
- Detailed planning began for two proposed Health Research Innovation Centres at the University of Alberta and the University of Calgary.
- A First Nations Gaming Policy was approved which will guide the future development of casino operations by First Nations and the disposition of net revenues from the operation of those casinos.
- Alberta's 2005 Centennial Program was launched with $50 million for Alberta Centennial Legacy projects.
- The Seniors' Supportive Housing Incentive Program was implemented.

ACHIEVING GOALS

Measuring Up is the government's annual report on the progress that has been made towards achieving our goals. The report tracks progress on each of the government goals by assessing whether we are measuring up to the targets set out in the government's three-year business plan for a set of core performance measures.

This year's *Measuring Up* reports on the goals, core measures and targets set out in the *Government of Alberta Business Plan 2000-03* as part of *Budget 2000 – New Century, Bold Plans*. The report points out areas where good results have been achieved and other areas where improvement is needed.

PEOPLE

- *Albertans will be healthy* – Alberta continued to rank among the top countries in the world for life expectancy. There was no significant change in the percentage of Albertans aged 18-64 who rated their health as "very good" or "excellent". The percentage of Albertans aged 65 and over who rated their health as "good", "very good", or "excellent" decreased slightly over the previous year. There has been an increase in the percentage of Albertans rating access to health services as "a bit difficult" or "very difficult".
- *Our children will be well cared for, safe, successful at learning and healthy* – Fewer children were economically disadvantaged compared to children in other provinces, based upon preliminary 1997 data for the Market Basket Measure of low income.
- *Alberta students will excel* – Alberta ranked third among the provinces in terms of high school completion for Albertans aged 25 to 34. However, Alberta ranked fifth in terms of post-secondary completion. Alberta students continued to perform well on cross-Canada and international achievement tests.
- *Albertans will be independent* – Average annual family incomes have generally increased and fewer Alberta families had incomes of less than $20,000 in 1998.
- *Albertans unable to provide for their basic needs will receive help* – In comparison to other provinces and based upon preliminary 1997 data for the Market Basket Measure of low income, the majority of Albertans were able to provide for their basic needs.

PROSPERITY

- *Alberta will have a prosperous economy* – Alberta's economy was strong. The province's long-term average growth rate surged due to a sharp increase in 2000's Gross Domestic Product. Job creation proceeded at a robust pace.
- *Our workforce will be skilled and productive* – The majority of Alberta employers surveyed were satisfied with the skill level of recent degree and diploma graduates. Alberta's labour productivity rose and remained the highest among the provinces.
- *Alberta businesses will be increasingly innovative* – The use of the Internet by Alberta businesses to buy and sell goods and services will be presented next year as an indication of businesses adopting innovative practices to remain competitive.
- *Alberta's value-added industries will lead economic growth* – While the value of Alberta's manufacturing sector grew, it continued to account for a steady share of Alberta's economy compared to the previous year. Alberta's knowledge-intensive manufacturing and services industries have been expanding.
- *Alberta will have effective and efficient infrastructure* – Alberta's infrastructure was expanded and improved to accommodate the

increased demand from strong economic growth. Most of the rural sections of the National Highway System provided good traffic flow and gas pipelines were able to accommodate throughput demand. Industry and non-profit organizations made increasing use of Alberta's university research facilities. However, proportionately greater contributions by the provincial and federal governments to sponsored research reduced the percentage contributed by non-government organizations to total sponsored research.

- *Alberta will have a financially stable, open and accountable government* – The Alberta government continued to maintain a strong financial position. Alberta was the only province to have a triple A credit rating, the highest possible rating. The overall tax burden on persons was the lowest among the provinces. The province was ahead of schedule on accumulated debt reduction and was in an overall net asset position. Provincial government expenditure was higher than the previous year, slightly above our interprovincial target.
- *Alberta will have a fair and safe work environment* – Alberta ranked fourth lowest among the provinces for person-days lost due to work stoppages and third lowest for workplace injury and disease, down from the previous year's rankings.
- *Alberta businesses will increase exports* – Alberta commodity exports surged due to higher prices and volumes.

PRESERVATION

- *Alberta will be a safe place to live and raise families* – Although Alberta's crime rates dropped, they remain above national rates. The gap between Alberta's violent crime rate and the national rate narrowed last year, while the gap between Alberta's property crime rate and the national rate widened. Alberta had the lowest rates among the western provinces last year and its youth crime rates continued to decline.
- *Alberta's natural resources will be sustained* – Alberta's forest resources continued to be managed on a sustainable basis, but land productivity has fallen owing to dry conditions in much of southern and central Alberta.
- *The high quality of Alberta's environment will be maintained* – The overall quality of Alberta's environment remained good. There were no days of poor air quality last year, and water quality downstream of Calgary, Edmonton and Lethbridge improved.
- *Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources* – Albertans continued to have the opportunity to enjoy the province's museums, historic sites and interpretive centres and provincial parks and recreation areas. Visitation has remained relatively constant over the past few years.
- *Alberta will work with other governments and maintain its strong position in Canada* – The Alberta government's approval ratings on federal-provincial relations was higher than the average approval rating of four other provinces (Ontario, Manitoba, Saskatchewan and British Columbia).
- *The well-being and self reliance of Aboriginal people will be comparable to that of other Albertans* – This new goal focuses on the significant socio-economic disparities between First Nations, Metis and other Aboriginal communities and other Albertans that need to be addressed.

Complete details on these and other measures are provided in the *Measuring Up* section of this Annual Report. Additional information on performance measures tracked by various ministries will be provided in their annual reports, available in the fall.

FINANCIAL RESULTS – MANAGING THE DOLLARS

As a result of strong energy prices in 2000-01, the government was able to make a large payment on its debt and provide additional funding for key initiatives.

Nearly 80% of the larger-than-budgeted economic cushion was used for debt repayment/ increase in financial assets and about 20% or $1.7 billion was used for in-year initiatives.

In-year initiatives consisted of:

- $535 million in revenue reductions. This included $345 million for the Energy Tax Rebate and the remainder for reductions in personal income taxes, school property taxes and crop insurance premiums.
- $1.17 billion in spending increases. This included energy cost assistance, accelerated infrastructure funding, farm income assistance, and increases for health and children's services.

DEBT REPAYMENT AND INCREASE IN FINANCIAL ASSETS

The $6.4 billion allocation in 2000-01 for debt repayment/increase in financial assets was composed of:

- Approximately $5.4 billion to repay accumulated debt including:
  - $2.2 billion repayment of debt maturities.
  - $1.6 billion set aside in a special account to repay accumulated debt as it matures in the future. With the $470 million allocation in 1999-2000, the total in this account is $2.1 billion.
  - $1.6 billion in accrued revenues, primarily related to high natural gas royalties in the last quarter of 2000-01. This cash will become available in 2001-02 for accumulated debt repayment.
- $0.5 billion to establish the Alberta Science and Engineering Research Endowment Fund, as allocated in the budget.

ALLOCATION OF ECONOMIC CUSHION, 2000-01[a]

(millions of dollars)

	Budget	Changes	Revised	In-Year Initiatives	Actual
Revenue	19,075	7,057	26,132	(535)	25,597
Expense					
Program expense	16,732	173[b]	16,905	1,139	18,044
Debt servicing costs	981	(1)	980	—	980
Net change in capital assets	149	2[b]	151	34	185
Total	17,862	174	18,036	1,173	19,209
Economic cushion before allocation for new endowment fund	1,213	6,883	8,096	(1,708)	6,388
Alberta Heritage Science and Engineering Research Endowment Fund	500	—	500	—	500
Economic cushion	713	6,883	7,596	(1,708)	5,888
Allocation of economic cushion					
Debt repayment/increase in assets	535	5,353	5,888	—	5,888
Contingency reserve	178	1,530	1,708	(1,708)	—

[a] Excludes change in unfunded pension obligations of $19 million in budget and $14 million in actual. Budget numbers have been restated to reflect an accounting change which increased revenue and expense by $4 million.

[b] Disaster assistance and dedicated revenue and expense changes. Pursuant to sections 4(2) and 4(3) of the *Fiscal Responsibility Act*, these increases are not charged against the contingency reserve.

- $0.5 billion in other balance sheet improvements, primarily retained income of the Alberta Treasury Branches, endowment funds and other funds and agencies.

As a result of these allocations, the province's net assets increased to $9 billion (assets minus liabilities, excluding pension obligations).

ACCUMULATED DEBT
(millions of dollars)

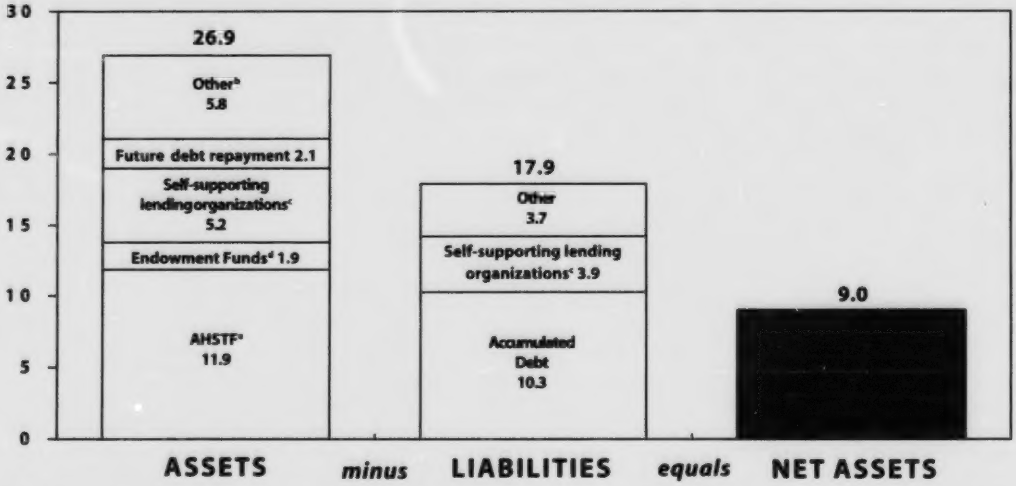
Accumulated debt (start of year)	12,490
Repayment of debt maturities	2,225
Accumulated debt (end of year)	10,265
Cash set aside for future debt repayment[a]	2,070
Accumulated debt less cash set aside	**8,195**
Cash available for debt repayment in 2001-02 from revenues accrued in 2000-01	1,600
	6,595

[a] Includes $470 million set aside in 1999-2000 for debt repayment.

NET WORTH (BALANCE SHEET)[a]

ASSETS, LIABILITIES AND NET ASSETS AT MARCH 31, 2001

(billions of dollars)



[a] Excludes pension obligations of $4.742 billion which are scheduled for elimination under a separate 1993 legislated plan.

[b] Includes $1.6 billion in accrued revenues that will become available in 2001-02 for accumulated debt repayment.

[c] Alberta Municipal Financing Corporation, Agriculture Financial Services Corporation and Alberta Opportunity Company.

[d] Alberta Heritage Foundation for Medical Research Endowment Fund, Alberta Heritage Scholarship Fund and Alberta Heritage Science and Engineering Research Endowment Fund.

[e] Alberta Heritage Savings Trust Fund. Total assets of $12.256 billion less $308 million of internal holdings of provincial corporation and General Revenue Fund debt.

REVENUE

Total provincial revenue reached a record $25.6 billion in 2000-01. This was $5.4 billion, or 26.9%, higher than in 1999-2000. The increase was due to stronger energy prices.

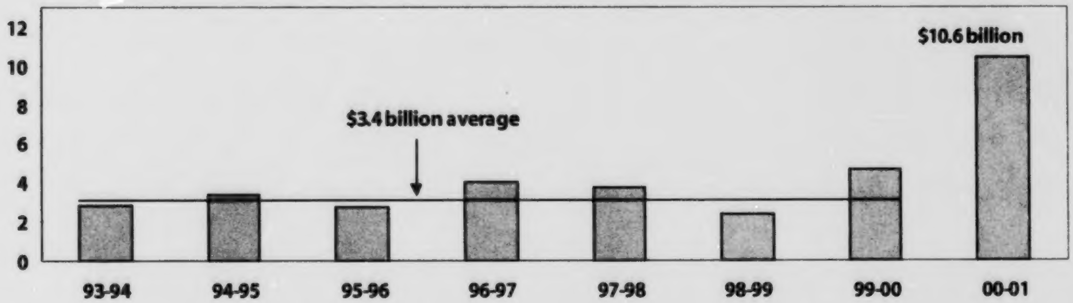
- **Non-renewable resource revenue** reached a record $10.6 billion in 2000-01. This was $5.9 billion higher than in 1999-2000. A sharp rise in natural gas prices was the main contributing factor. Natural gas prices averaged Cdn$6.08 per thousand cubic feet, more than double the previous year average of Cdn$2.66. Oil prices also rose, from an average of US$23.16 per barrel in 1999-2000 to US$30.19 in 2000-01. Revenues from bonuses and sales of Crown leases increased due to improved industry cash flow.
- **Tax revenue** declined by 2.5% or $221 million from 1999-2000 to 2000-01.

  Personal income tax revenue fell in 2000-01 by 22.7% or $1.2 billion. This reflected the $345 million Energy Tax Refund, personal income tax cuts and a negative prior year adjustment.

  Offsetting most of this decline was a strong recovery in corporate income tax revenue and continued growth in other tax revenues. After declining by 32% over the two previous years, corporate income tax revenue rebounded – increasing by 61.2% or $768 million in 2000-01. A sharp rise in corporate taxable income, largely due to the strength of the energy industry, was responsible for the increase. Other tax revenue increased by 7.1% or $168 million.
- **Transfers from the Government of Canada** increased by 10.3% or $169 million. The September 2000 First Ministers Meeting resulted in additional federal funding for health care and children's services. This was partly offset by lower federal transfers for agriculture assistance. Federal transfers accounted for 7% of Alberta's total revenue.
- **Total investment income** fell by 29.2% or $556 million. The decline reflected the weakness in the equity markets in 2000-01 and the significant capital gains that were realized in the previous year.
- **Revenue from all other sources** increased by 3% or $97 million. This largely reflected higher revenues from lottery operations, partly offset by lower net income from Alberta Treasury Branches.

NON-RENEWABLE RESOURCE REVENUE

(billions of dollars)



ADDRESSING ALBERTANS' PROGRAM PRIORITIES

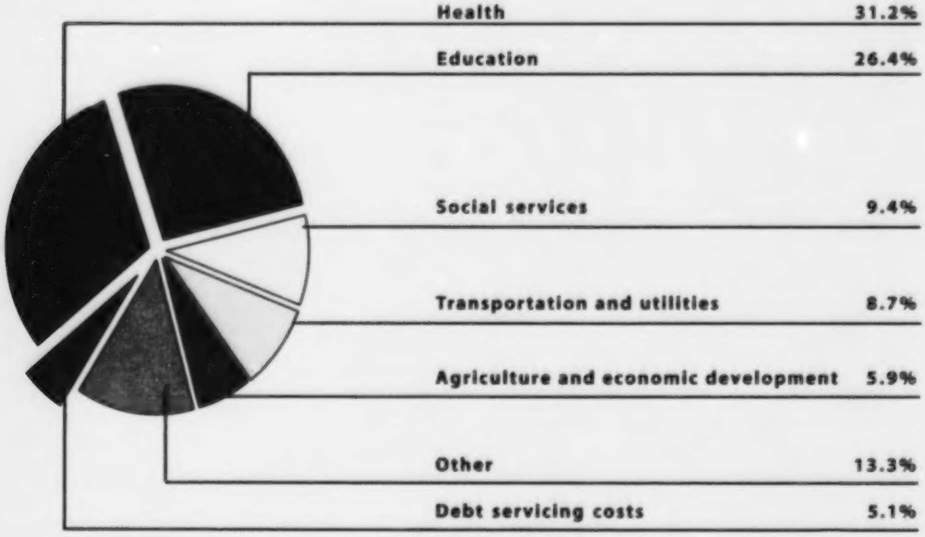
Total spending (excluding the change in unfunded pension obligations) increased by 9.5% or $1.6 billion from the previous year. The increase primarily reflected higher health and education spending, and one-time initiatives to address high energy costs and accelerate infrastructure funding.

In total, $19 billion was spent in 2000-01 for programs and services and paying interest on debt. Health and education accounted for 58% of total spending. Major changes in spending from 1999-2000 on a functional basis were:

- **Health** spending increased by $614 million or 11.6% over last year to $5.9 billion. This additional spending supported the increased costs of drugs and health services, wage settlements and initiatives to improve access to health care, including improvements in health care facilities and equipment.
- **Education** spending increased by $291 million or 6.1% over last year to $5 billion. Operating grants were increased for both basic and post-secondary education to cover rising costs and enrollment. The construction and modernization of schools and post-secondary facilities was accelerated.
- **Social Services** spending increased by $71 million or 4.1% over last year to $1.8 billion. Major increases for children services, persons with developmental disabilities and seniors' programs were partly offset by lower increases and reductions in other areas.
- **Transportation and Utilities** spending increased by $532 million or 47.7% over last year to $1.6 billion. The increase reflects the cost of energy assistance programs, partly offset by a delay in some transportation initiatives.

EXPENSE BY FUNCTION

(Percentage)



- **Agriculture and Economic Development** spending increased by $31 million or 2.9% over last year to $1.1 billion. Spending reflects the special agriculture assistance programs provided over the last two years.
- **Other Program** spending increased by $80 million or 3.3% to $2.5 billion. Higher spending for justice programs and funding for Alberta Centennial projects was partly offset by lower forest fire fighting costs.
- **Debt Servicing Costs** increased by $24 million or 2.5% to $980 million. Interest cost savings due to repayment of debt were offset by increased foreign exchange provisions on debt held in U.S. dollars.

LOOKING AHEAD

Alberta was able to take a major step forward in 2000-01. Record high resource revenues will allow the elimination of nearly half of Alberta's accumulated debt. If energy prices remain high, Alberta could become debt-free in just a few years. The process of defining what a debt free Alberta could look like began with the *It's Your Money* survey in November 2000 and will continue with the upcoming Future Summit.

In 2000-01, Alberta was able to enhance its tax advantage with the implementation of a new single-rate personal income tax system and a reduction in school property tax rates. This tax advantage will be strengthened with the planned $1 billion cut in business taxes over the next four years, of which the first phase was implemented on April 1, 2001.

The government was also able to meet its commitments to provide quality program services, address the infrastructure requirements of the province's growing economy and population, and meet the need for special agriculture and energy shielding assistance.

These commitments were met within a framework of overall fiscal responsibility. The government will continue to ensure that the dollars allocated to permanent tax reductions and ongoing increases in base program spending are affordable not just in the current year, but also in future years.

Again next year, the government will report completely and openly on what was achieved – both in achieving the goals that were set and in managing the province's finances.

Throughout the 2001-02 fiscal year, Albertans will receive regular quarterly reports on the government's fiscal situation and activities. As well, the government will continue to review and update performance measures to ensure they provide an accurate picture.

Consolidated Financial Statements of the Province of Alberta

for the Year ended March 31, 2001

INTRODUCTION

The financial statements in this annual report of the Government of Alberta are consolidations of ministry consolidated financial statements, which themselves are consolidations of the financial statements of departments, regulated funds, Provincial agencies and Crown-controlled corporations, for which separate financial statements are presented in ministry annual reports. A listing of these organizations is provided in Schedule 16 to the financial statements.

The method of consolidation is described in the Accounting Policies note that forms part of the financial statements.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Responsibility for the integrity and objectivity of the consolidated financial statements of the Province of Alberta rests with the government. The consolidated financial statements are prepared by the Controller under the general direction of the Deputy Minister of Finance, as authorized by the Minister of Finance pursuant to the Financial Administration Act. The consolidated financial statements are prepared in accordance with the government's stated accounting policies, and of necessity include some amounts that are based on estimates and judgements. As required by the Government Accountability Act, the consolidated financial statements are included in the consolidated annual report of the Government of Alberta that forms part of the Public Accounts.

To fulfill its accounting and reporting responsibilities, the government maintains systems of financial management and internal control which give consideration to costs, benefits and risks, and which are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability for public money, and
- safeguard the assets and properties of the Province of Alberta under government administration.

Under the Financial Administration Act, deputy heads are responsible for the collection of revenue payable to the Crown, and for making and controlling disbursements with respect to their departments. They are also responsible for prescribing the accounting systems to be used in their departments. In order to meet government accounting and reporting requirements, the Controller obtains information relating to departments, regulated funds, and Provincial agencies from ministries as necessary.

The consolidated financial statements are reviewed by the Audit Committee established under the Auditor General Act. Under the Fiscal Responsibility Act, the Audit Committee must report publicly to the Executive Council on the progress made in eliminating the accumulated debt. The Audit Committee advises the Lieutenant Governor in Council on the scope and results of the Auditor General's audit of the government.

The Auditor General of Alberta provides an independent opinion on the consolidated financial statements prepared by the government. The duties of the Auditor General in that respect are contained in the Auditor General Act.

Annually, the consolidated annual report is tabled in the Legislature as a part of the Public Accounts, and is referred to the Standing Committee on Public Accounts of the Legislative Assembly.

Approved on behalf of the Finance Department:

Peter Kruselnicki, P.Eng.
Deputy Minister of Finance

Tim Wiles, CA
Acting Controller

Edmonton, Alberta
June 20, 2001

AUDITOR
GENERAL
Alberta

AUDITOR'S REPORT

To the Members of the Legislative Assembly

I have audited the consolidated statements of financial position and capital assets of the Province of Alberta as at March 31, 2001 and the consolidated statements of operations and changes in financial position for the year then ended. These financial statements are the responsibility of Finance Department management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these consolidated financial statements present fairly, in all material respects, the financial position and capital assets of the Province of Alberta as at March 31, 2001 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting as described in Note 1 to the consolidated financial statements.

I also report that there was no legislative authority by March 31, 2001 for the cost of the Alberta Energy Tax Refund program included in the financial statements. The $345 million cost of this refund program is identified in Schedule 1 to the consolidated financial statements.

Peter Valentine, FCA
Auditor General

Edmonton, Alberta
June 20, 2001

Consolidated Statement of Operations

YEAR ENDED MARCH 31, 2001

	In millions		
	2001		**2000**
	Budget (Note 4)	**Actual**	**Actual**
Revenues (Schedule 1)			
Income taxes	$ 6,609	$ 5,966	$ 6,355
Other taxes	2,418	2,537	2,369
Non-renewable resource revenue	4,048	10,586	4,650
Transfers from Government of Canada	1,445	1,809	1,640
Investment income	1,460	1,350	1,906
Net income from commercial operations	1,408	1,636	1,573
Fees, permits and licences	1,280	1,295	1,329
Other	403	418	346
	19,071	25,597	20,168
Expenses by function (Schedules 2 and 3)			
Health	5,493	5,929	5,315
Education	4,966	5,024	4,733
Social services	1,744	1,788	1,717
Transportation and utilities	1,015	1,648	1,116
Agriculture and economic development	995	1,115	1,084
Protection of persons and property	562	566	512
Regional planning and development	517	516	539
Environment and resource conservation	409	445	538
Recreation and culture	279	339	276
Housing	95	104	94
General government	653	570	497
Debt servicing costs	981	980	956
Pension provisions	19	14	(85)
	17,728	19,038	17,292
Excess of revenues over expenses	1,343	6,559	2,876
Net increase in capital assets affecting operations (Schedule 5)	(149)	(185)	(74)
Net results of operations	$ 1,194	$ 6,374	$ 2,802
Under legislation, pension provisions are excluded for fiscal policy purposes (Note 5)			
Net results of operations	$ 1,194	$ 6,374	$ 2,802
Adjust for pension provisions included in expenses	19	14	(85)
Net results for fiscal policy purposes	$ 1,213	$ 6,388	$ 2,717

The accompanying notes and schedules are part of these financial statements.

Consolidated Statement of Financial Position

MARCH 31, 2001

	In millions	
	2001	**2000**
Financial assets		
Cash and temporary investments (Schedule 6)	$ 1,309	$ 1,539
Accounts and accrued interest receivable	4,787	2,252
Portfolio investments (Schedule 7)	15,419	12,934
Equity in commercial enterprises (Schedule 8)	664	517
Loans and advances (Schedule 9)	4,673	4,682
Inventories held for resale (Schedule 10)	69	63
	26,921	21,987
Liabilities		
Accounts and accrued interest payable	3,127	2,439
Unmatured debt (Schedule 11)	9,976	11,777
Debt of Alberta Municipal Financing Corporation (Schedule 12)	3,443	3,563
Pension obligations (Schedule 13)	4,742	4,728
Other accrued liabilities (Schedule 14)	1,194	1,292
Equity of Alberta Municipal Financing Corporation (Schedule 12)	139	262
	22,621	24,061
Net assets (debt)	$ 4,300	$ (2,074)
Net debt at beginning of year	$ (2,074)	$ (4,876)
Net results of operations for the year	6,374	2,802
Net assets (debt) at end of year	$ 4,300	$ (2,074)
Under legislation, pension obligations are excluded for fiscal policy purposes (Note 5)		
Net assets (debt) at end of year	$ 4,300	$ (2,074)
Adjust for pension obligations	4,742	4,728
Net assets for fiscal policy purposes	$ 9,042	$ 2,654

The accompanying notes and schedules are part of these financial statements.

Consolidated Statement of Changes in Financial Position

YEAR ENDED MARCH 31, 2001

	In millions 2001	2000
Operating activities		
Net results of operations for the year	$ 6,374	$ 2,802
Non-cash items included in net results of operations	22	(345)
	6,396	2,457
Decrease in equity of Alberta Municipal Financing Corporation	(123)	(46)
Other	(2,031)	(212)
Cash provided by operating activities	4,242	2,199
Investing activities		
Disposals of portfolio investments	13,261	6,558
Repayment of loans and advances	512	544
Portfolio investments purchased	(15,653)	(7,146)
Loans and advances made	(459)	(322)
Other	33	64
Cash applied to investing activities	(2,306)	(302)
Financing activities		
Debt issues	12,240	19,062
Debt retirement	(14,406)	(20,647)
Cash applied to financing activities	(2,166)	(1,585)
Increase (decrease) in cash and temporary investments	(230)	312
Cash and temporary investments at beginning of year	1,539	1,227
Cash and temporary investments at end of year	$ 1,309	$ 1,539

The accompanying notes and schedules are part of these financial statements.

Consolidated Statement of Capital Assets

MARCH 31, 2001

	In millions	
	2001	2000
	Net Book Value (Note 7)	
General capital assets		
Land	$ 1,187	$ 1,149
Buildings	1,648	1,725
Equipment	56	58
Computer hardware and software	151	130
Other	62	66
	3,104	3,128
Infrastructure assets		
Land improvements	87	93
Provincial highways, roads and airstrips	3,508	2,864
Bridges	447	338
Dams and water management structures	856	836
	4,898	4,131
	$ 8,002	$ 7,259

The accompanying notes and schedules are part of these financial statements.

Notes to the 2000-01 Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate.

These financial statements are prepared in accordance with the following accounting policies.

A) REPORTING ENTITY

These financial statements include the accounts of the Offices of the Legislative Assembly and all government entities including departments, the Alberta Heritage Savings Trust Fund, and other regulated funds, Provincial agencies and Crown-controlled corporations. A listing of these organizations is provided in Schedule 16. Accountable organizations such as universities, public colleges, technical institutes, regional health authorities and school boards are not included in the consolidated financial statements.

B) METHOD OF CONSOLIDATION

The accounts of the Offices of the Legislative Assembly, departments, regulated funds and Provincial agencies, except those designated as commercial enterprises, are consolidated after adjusting them to a basis consistent with the accounting policies described below in (c). Revenue and expenditure transactions, investing and financing transactions, and related asset and liability accounts between consolidated entities have been eliminated.

The accounts of Crown-controlled corporations and Provincial agencies designated as commercial enterprises are reported on an equity basis, the equity being computed in accordance with generally accepted accounting principles.

The year end of some Provincial agencies is other than March 31. Transactions of these agencies that have occurred during the period to March 31, 2001 and that significantly affect the consolidation have been recorded.

C) BASIS OF FINANCIAL REPORTING

Reporting the Results of Operations

The consolidated statement of operations reports revenues of the year (including proceeds from disposal of capital assets), expenses (including the cost of capital assets consumed during the year, i.e., amortization of capital assets), and the excess of revenues over expenses. The excess of revenues over expenses is then adjusted within the consolidated statement of operations for the difference between the cost of capital assets consumed and the cost of capital assets acquired during the year. The net results of operations for the year is applied to increase net assets.

NOTE 1 (continued)

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as unearned revenue and included in accounts payable.

Expenses

Expenses represent the cost of resources consumed during the year on government operations. Expenses include provisions for amortization of acquired capital property and expenses incurred in accordance with the conditions of approved grant programs, including grants for capital purposes.

Pension costs comprise the cost of pension benefits earned by employees during the year, interest on the Province's share of the unfunded pension liability, and the amortization over the expected average remaining service life of employees of deferred adjustments arising from experience gains and changes in actuarial assumptions.

Pension costs which are funded are included in expenses by function and costs which have not been funded are recorded on the statement of operations as a valuation adjustment to the pension obligations.

Valuation adjustments also include obligations under guarantees and indemnities which are charged to valuation adjustments when management determines that the Province will likely be called upon to make payment. The charge represents management's estimate of future payments less recoveries.

Any adjustments to the Province's obligations to provide future funding to school boards to enable them to repay the principal portion of their debentures to the Alberta Municipal Financing Corporation are charged or credited to valuation adjustments.

The estimated increase or decrease for the year in accrued employee vacation entitlements is also charged or credited to valuation adjustments.

No provision is made in the financial statements for commitments, details of which are disclosed in Note 6.

Net Increase in Capital Assets Affecting Operations

The net increase in capital assets affecting operations accounts for the inclusion of the cost of capital assets acquired during the year, and the exclusion of the annual amortization provision.

Financial Assets

Financial assets are limited to financial claims on outside organizations and individuals and inventories held for resale at the year end.

Temporary investments are valued at cost or fair value, whichever is lower, on an aggregate basis.

Portfolio investments, which are investments to provide income for the long term, are carried at cost. Realized gains and losses on disposals of these investments are included in the determination of net results of operations for the year. Where there has been a loss in value of an investment that is other than a temporary decline, the investment is written down to recognize the loss. The written down value is deemed to be the new cost.

Loans are recorded at cost less any unearned income and allowance for credit loss. Discounts recorded as the result of interest rate reductions given on loans to local authorities are amortized to investment income over the term of the loans.

Inventories representing the Province's share of royalty oil in feeder and trunk pipelines are stated at net realizable value. Other inventories are valued at the lower of cost, determined on a first-in, first-out basis, and estimated net realizable value.

Liabilities

Liabilities include all financial claims payable by the Province at the year end.

Debentures included in unmatured debt are recorded at the face amount of the issue less net unamortized discount, which includes issue expenses and hedging costs.

Income or expense on interest rate swaps and forward interest rate agreements used to manage interest rate exposure is recorded as an adjustment to debt servicing costs. The exchange gain or loss on the foreign exchange contracts used to manage currency exposure is deferred and amortized over the life of the contract.

Liabilities also include the following:

- estimates of the present value of the Province's obligations for future pension contributions and/or benefits under defined benefit pension plans for provincial and other public sector employees, and certain current and former Members of the Legislative Assembly, including deferred adjustments,
- the Province's obligation to provide future funding to school boards to enable them to repay the principal portion of their debentures to the Alberta Municipal Financing Corporation, and
- accrued employee vacation entitlements.

Foreign Currency

Assets and liabilities denominated in foreign currency are translated at the year end rate of exchange.

Foreign currency transactions are translated into Canadian dollars using average rates of exchange, except for hedged foreign currency transactions which are translated at rates of exchange established by the terms of the forward exchange contracts.

Amortization of deferred exchange gains and losses and other exchange differences on unhedged transactions are included in the determination of net results of operations for the year.

Measurement Uncertainty

Estimates are used in accruing revenues and expenses in circumstances where the actual accrued revenues and expenses are unknown at the time the financial statements are prepared. Uncertainty in the determination of the amount at which an item is recognized in financial statements is known as measurement uncertainty. Such uncertainty exists when there is a variance between the recognized amount and another reasonably possible amount, as there is whenever estimates are used.

NOTE 1 (continued)

Measurement uncertainty that is material to these financial statements exists in the accrual of personal and corporate income taxes, royalties derived from non-renewable resources, and provisions for pensions and loans and advances. The nature of the uncertainty in these items arises from several factors such as the effect on accrued taxes of the verification of taxable income, the effect on accrued royalties of the receipt of revised production data and reassessments, the effect on accrued pension obligations of actual experience compared to assumptions, and the effect on loans and advances of actual collectibility and changes in economic conditions.

While best estimates have been used for reporting items subject to measurement uncertainty, management considers that it is possible, based on existing knowledge, that changes in future conditions in the near term could require a material change in the recognized amounts. Near term is defined as a period of time not to exceed one year from the date of the financial statements.

Capital Assets

Capital assets of commercial enterprises and Crown-controlled corporations are included in the consolidated statement of financial position within equity in commercial enterprises. Other capital assets are not included in the Province's financial position but are reported in a separate consolidated statement of capital assets, with additional disclosure in Note 7.

Those capital assets in the separate financial statement are restricted to capital assets the Province acquired for cash or for other assets. Assets acquired by right, such as Crown lands, forests, water and mineral resources, are not included. In addition, assets paid for by other parties, such as the federal government, are excluded.

The historical cost of capital assets in Note 7 is estimated and amortization is calculated on a straight line basis over the periods expected to benefit from their use, and the annual amortization is included in the expenses reported in the consolidated statement of operations. The annual amortization of the costs of capital assets is allocated to the functions of the government that employ those assets.

NOTE 2 VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of cash and cash equivalents, accrued interest, receivables and payables are estimated to approximate their book values. Fair values of loans and advances are not reported due to there being no organized financial market for the instruments and it is not practicable within constraints of timeliness or cost to estimate the fair values with sufficient reliability.

The fair value of unmatured debt and debt of Alberta Municipal Financing Corporation is an approximation of its fair value to the holder.

The methods used to determine the fair values of temporary investments and portfolio investments are explained in the following paragraphs.

Public fixed-income securities and equities are valued at the year-end closing sale price, or the average of the latest bid and ask prices quoted by an independent securities valuation company.

Mortgages and certain non-public provincial debentures are valued based on the net present value of future cash flows. These cash flows are discounted using appropriate interest rate premiums over similar Government of Canada benchmark bonds trading in the market.

NOTE 2 (continued)

The fair value of private equities is estimated by management.

Real estate investments are reported at their most recent appraised value, net of any liabilities against the real property. Real estate properties are appraised annually by qualified external real estate appraisers.

At the year end, the fair value of investments and any other assets and liabilities denominated in a foreign currency are translated at the year end exchange rate.

NOTE 3 RISK MANAGEMENT

A) LIABILITY MANAGEMENT

The objective of the Province's liability management program is to achieve the lowest cost on debt within an acceptable degree of variability of debt servicing costs. In order to achieve this objective, the Province manages four risks - interest rate risk, currency exchange risk, credit risk, and refinancing risk. The Province manages these four risks within approved policy guidelines. The management of these risks and the policy guidelines apply to the Province's direct debt, excluding debt raised to fund requirements of provincial corporations and regulated funds. Debt of provincial corporations and regulated funds is managed separately in relation to their assets.

Until February 2001, the policy guideline for interest rate risk was that Canadian dollar floating rate debt should be between 25 per cent and 50 per cent of direct debt. The policy guideline for currency exchange risk was that there be no exposure to currencies other than United States dollars. Further, the unhedged U.S. dollar debt should not exceed US$3 billion. Credit risk relating to swaps was minimal as management dealt only with the most credit worthy counterparties. The policy guideline for refinancing risk was that term debt maturities should not exceed $3.5 billion in any fiscal year, excluding early redemption of Alberta Capital Bonds and Alberta Savings Certificates.

The Province decided in February 2001, in light of the current debt reduction environment, that the most effective liability risk management strategy would be to allow existing debt instruments to mature in accordance with their terms.

B) ASSET MANAGEMENT

The majority of the Province's portfolio investments are in the Alberta Heritage Savings Trust Fund (Heritage Fund).

The Heritage Fund is comprised of two portfolios. The Endowment portfolio is being held for the long term and has the objective of maximizing long-term financial returns. The portfolio consists of 30 per cent to 50 per cent fixed-income instruments and 50 per cent to 70 per cent equities. The Transition portfolio consists mainly of Canadian fixed-income securities and has the objective of providing income support to the government's fiscal plan over the short to medium term.

The General Revenue Fund also holds substantial amounts of the Province's portfolio investments. Portfolio investments of the General Revenue Fund are used to repay debt as it matures.

The investments in the Alberta Heritage Foundation for Medical Research Endowment Fund, the Alberta Heritage Science and Engineering Research Endowment Fund and the Alberta Heritage Scholarship Fund are managed to preserve the capital of the funds over the long term and to provide an annual level of income to intermediary boards responsible for making grants to researchers in the fields of medicine, science and engineering, and to students.

NOTE 4 BUDGET

The budget amounts were derived from Budget 2000 tabled in the Legislature on February 24, 2000.

The following table compares the Province's net financial position with the March 31, 2001 estimate provided in Budget 2000. The table uses the same grouping of financial assets and liabilities as the budget, except that a line has been added under financial assets for funds set aside for debt repayment.

	At March 31, in millions		
	2001		2000
	Estimate	Actual	Actual
Financial assets			
Heritage Fund external investments	$ 11,930	$ 11,948	$ 11,682
Endowment funds (a)	1,744	1,866	1,338
Self-supporting lending organizations (b)	4,835	5,207	5,497
Funds set aside for debt repayment	-	2,070	470
Other financial assets	2,242	5,830	3,000
	20,751	26,921	21,987
Liabilities			
Accumulated debt	12,007	10,265	12,490
Pension obligations	4,807	4,742	4,728
Self-supporting lending organizations (b)	3,496	3,915	4,269
Accounts and interest payable and other liabilities	2,591	3,945	2,874
Less debt held internally by consolidated entities	(238)	(246)	(300)
	22,663	22,621	24,061
Net assets (debt) for financial statement purposes	(1,912)	4,300	(2,074)
Less pension obligations	4,807	4,742	4,728
Net assets for fiscal policy purposes	$ 2,895	$ 9,042	$ 2,654

a) Alberta Heritage Foundation for Medical Research Endowment Fund, Alberta Heritage Science and Engineering Research Endowment Fund and Alberta Heritage Scholarship Fund.

b) Alberta Municipal Financing Corporation, Agriculture Financial Services Corporation and Alberta Opportunity Company.

NOTE 5 FISCAL RESPONSIBILITY LEGISLATION

During 2000-01 the Province complied with the Fiscal Responsibility Act (the Act). The Act, which came into force on April 1, 1999, requires that actual expenditure during a fiscal year, not including changes in pension obligations, must not be more than actual revenue.

Under the Act, starting accumulated debt, as defined, was initially determined at March 31, 2000 and must be reduced by a specified percentage in each subsequent five-year period such that accumulated debt must be eliminated by March 31, 2025.

NOTE 5 (continued)

The table below shows the progress made in eliminating accumulated debt during 2000-01.

	In millions 2001	2000
Unmatured debt (Schedule 11)	$ 9,976	$ 11,777
Funding obligation for school board debentures (Schedule 14)	793	892
Adjustments to conform to statutory definition	(504)	(179)
Accumulated debt at end of year	$ 10,265	$ 12,490
Reduction in accumulated debt during 2000-01	$ 2,225	

In addition, Note 4 shows that funds amounting to $2,070 million (2000 $470 million), at cost, have been set aside to retire accumulated debt that has not yet matured.

NOTE 6 COMMITMENTS AND CONTINGENCIES

Set out below are details of commitments to outside organizations and individuals and contingencies resulting from guarantees, indemnities and litigation, other than those reported as liabilities and shown in Schedule 14.

Management considers that the contingencies will not result in any material adverse effect on the Province. Any losses arising from the settlement of contingencies are treated as current year expenses.

A) ALBERTA-METIS SETTLEMENTS ACCORD

As at March 31, 2001, the Province has a commitment of $60 million (2000 $70 million) under the Metis Settlements Accord Implementation Act. The Act requires payment of $10 million per year until 2006-07. The Province is also committed under the Act to make matching grants to settlement councils each year until 2006-07, the amounts of which cannot be determined.

B) OTHER COMMITMENTS

	In millions 2001	2000
Obligations under long-term leases, contracts and programs	$ 6,334	$ 3,582
Loans and advances approved	47	45
	$ 6,381	$ 3,627

Estimated payment requirements for each of the next five years and thereafter are as follows:

	In millions
2001-02	$ 1,778
2002-03	377
2003-04	374
2004-05	250
2005-06	25
Thereafter	3,530
	$ 6,334

NOTE 6 (continued)

The government has various commitments relating to the devolution of services or disposition of assets to the private sector. Those commitments include the performance of duties and obligations if the private sector organization fails to meet them. Management is of the opinion that any resulting costs would not materially affect the financial position of the Province.

C) INDEMNITIES AND GUARANTEES

The Province has agreed to indemnify and fund interest to the extent necessary on $335 million of debentures issued by S C Financial Ltd. to credit unions in exchange for stabilization preferred shares of the credit unions. The indemnity will expire on October 31, 2010. The estimated future payments less recoveries under this indemnity are accounted for as a liability for credit union assistance and disclosed in Schedule 14.

Guarantees amounting to $404 million (2000 $465 million) are analyzed in Schedule 15.

D) CONTINGENCIES OF COMMERCIAL ENTERPRISES

The Credit Union Deposit Guarantee Corporation has a potential liability under guarantees relating to deposits of credit unions. At December 31, 2000 credit unions in Alberta held deposits totalling $6.1 billion (1999 $5.1 billion) and had assets in excess of deposits.

At March 31, 2001, Alberta Treasury Branches had a potential liability under guarantees and letters of credit amounting to $415 million (2000 $417 million). In 1998-99, Alberta Treasury Branches initiated legal actions which resulted in counterclaims aggregating $476 million. The eventual outcome of these claims and counterclaims is not determinable.

N.A. Properties (1994) Ltd. has provided guarantees of principal and interest on mortgages sold to Canadian Western Bank. The principal and interest on these mortgages totalled $14 million at March 31, 2001 (2000 $23 million).

E) LEGAL ACTIONS

At March 31, 2001, the Province was named as defendant in forty-two claims (2000 thirty-five claims) by Indian Nations and Indian Bands concerning aboriginal rights, Indian title and Treaty rights. In most cases, these claims have been filed jointly and severally against the Province of Alberta and the Government of Canada, and in some cases involve third parties. Twenty-four (2000 twenty) of these claims have specified amounts totalling $65.9 billion (2000 $107.8 billion) plus a provision for interest and other costs that are not now calculable. Based on the current advice of legal counsel, the basis of estimation has been revised during the year, resulting in a reduction of the estimate. Using the revised basis of estimation, the amount claimed as at March 31, 2000 would have been reported as $46.1 billion instead of $107.8 billion. The other eighteen claims (2000 fifteen) have not specified any amounts. At this time the outcome of these claims is not determinable.

Also, the Province was named as defendant in twenty-seven claims (2000 sixty-two claims) aggregating $18 million (2000 $34 million) relating to decisions made by the Eugenics Board of Alberta pursuant to the Sexual Sterilization Act of 1928, which was repealed in 1972. Further, the Province was named as defendant in various other legal actions in addition to those noted above. The total claimed in specific legal actions amounts to approximately $3.9 billion (2000 $2.8 billion). Accruals have been made in specific instances where it is probable that losses will be incurred which can be reasonably estimated. The resulting loss, if any, from claims in excess of the amounts accrued cannot be determined.

NOTE 7 CAPITAL ASSETS

The following information is provided to supplement the consolidated statement of capital assets.

Capital assets held and available for use at the end of the year are shown below by type of asset.

		In millions			
		2001			2000
	Estimated Useful Life	Cost	Accumulated Amortization	Net Book Value	Net Book Value
General capital assets					
Land	Indefinite	$ 1,187	$ -	$ 1,187	$ 1,149
Buildings	40 years	2,847	1,199	1,648	1,725
Equipment	3-10 years	184	128	56	58
Computer hardware and software	5-10 years	381	230	151	130
Other	20-50 years	181	119	62	66
		4,780	1,676	3,104	3,128
Infrastructure assets					
Land improvements	10-40 years	182	95	87	93
Provincial highways, roads and airstrips	50 years	5,256	1,748	3,508	2,864
Bridges	50 years	613	166	447	338
Dams and water management structures	25-80 years	1,037	181	856	836
		7,088	2,190	4,898	4,131
		$ 11,868	$ 3,866	$ 8,002	$ 7,259

Land includes land acquired for parks and recreation, building sites, infrastructure and other program use. It does not include land held for resale or Crown lands acquired by right.

Equipment includes vehicles, heavy equipment, fire protection equipment, office equipment and furniture, and other equipment.

Other capital assets include leasehold improvements (amortized over the life of the lease), rail cars and trailers.

Land improvements include parks development and grazing reserves.

Provincial highways and roads consist of original pavement, roadbed, drainage works and traffic control devices. Effective April 1, 2000, the Province agreed to assume responsibility for the construction and maintenance of secondary highways and bridges and some key arterial roadways within cities. As a result, some secondary highways and bridges and the majority of the arterial roadways were transferred from municipalities to the Province during 2000-01. The remainder will be transferred to the Province over the next several years.

Dams and water management structures include dams, reservoirs, weirs, canals, dikes, ditches, channels, diversions, cut-offs, pump houses and erosion protection structures.

NOTE 7 (continued)

Changes to capital assets were as follows:

	In millions	
	2001	2000
Net book value at beginning of year	$ 7,259	$ 7,218
Capital assets acquired	443	304
Capital assets transferred from municipalities	588	-
Amortization provision	(258)	(230)
Disposals and write-downs	(30)	(33)
Net book value at end of year	$ 8,002	$ 7,259

NOTE 8 TRUST FUNDS UNDER ADMINISTRATION

Trust funds under administration are regulated and other funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purposes of various trusts, they are not included in the consolidated financial statements.

At March 31, 2001, trust funds under administration were as follows:

	In millions	
	2001	2000
Public Sector Pension Plan Funds	$ 16,797	$ 18,082
The Workers' Compensation Board Accident Fund	2,265	2,890
Teachers' Pension Plan Funds	2,208	1,795
Power Pool of Alberta Balancing Pool (a)	813	-
Public Trustee	406	386
Regional Health Authorities and various health institutions construction accounts	267	205
Special Areas Trust Account	64	62
Various Courts and Sheriffs' Offices	39	41
Miscellaneous trust funds	88	97
	$ 22,947	$ 23,558

a) The Power Pool of Alberta Balancing Pool receives and disburses funds arising from the transition to a competitive electricity market in Alberta. During the year, two sets of electric power auctions generated an expected net amount of approximately $2,100 million. These funds are being distributed to Alberta electricity consumers in the form of rebates on their electric bills. Proceeds amounting to $1,176 million from the Power Purchase Arrangement auction have been received. Proceeds from the Market Achievement Plan auction are received over the period of the respective contracts.

NOTE 9 GOVERNMENT RESTRUCTURING

On March 15, 2001, the government announced new department structures. As noted in Schedule 16, two departments were eliminated on that date. The following departments were created: Aboriginal Affairs and Northern Development, Energy, Finance, Revenue, Seniors, Solicitor General, Sustainable Resource Development, and Transportation. The restructuring has no effect on the consolidated operations or financial position of the government.

NOTE 10 COMPARATIVE FIGURES

Certain 2000 figures have been reclassified to conform to 2001 presentation.

Schedules to the 2000-01 Consolidated Financial Statements

REVENUES **Schedule 1**

	In millions		
	2001		2000
	Budget	Actual	Actual
Income taxes			
Personal income tax	$ 4,713	$ 4,288	$ 5,100
Less Alberta energy tax refund (a)	-	(345)	-
Corporate income tax	1,896	2,023	1,255
	6,609	5,966	6,355
Other taxes			
School property tax	1,157	1,151	1,128
Fuel tax	559	581	568
Tobacco tax	355	340	339
Freehold mineral rights tax	135	256	134
Insurance corporations tax	127	119	117
Hotel room tax	47	52	48
Other	38	38	35
	2,418	2,537	2,369
Non-renewable resource revenue			
Natural gas and by-products royalty	2,323	7,200	2,441
Crude oil royalty	632	1,500	1,072
Bonuses and sales of Crown leases	650	1,159	743
Synthetic crude oil and bitumen royalty	469	712	426
Rentals and fees	157	147	141
Coal royalty	14	12	15
Royalty tax credit	(197)	(144)	(188)
	4,048	10,586	4,650
Transfers from Government of Canada			
Canada health and social transfer	906	1,216	972
Canada health and social transfer - health supplement	194	195	192
Other	345	398	476
	1,445	1,809	1,640
Investment income	1,460	1,350	1,906
Net income from commercial operations			
Lottery operations	831	988	857
Liquor operations	458	468	457
Other	119	180	259
	1,408	1,636	1,573
Fees, permits and licences			
Health care insurance premiums	660	680	653
Motor vehicle licences	196	208	200
Crop and hail insurance premiums	77	55	71
Other	347	352	405
	1,280	1,295	1,329
Other	403	418	346
	$ 19,071	$ 25,597	$ 20,168

a) In November 2000, the Alberta Income Tax Amendment Act, 2000 (No. 2) received first reading in the Legislative Assembly. The Bill proposed an Alberta energy tax refund to individuals who met certain eligibility requirements but, because the Legislature was dissolved in February 2001, the Bill did not progress to an Act by March 31, 2001. New legislation was introduced after the year end and the refund program has since been authorized retroactively, which occurs infrequently with tax legislation changes.

EXPENSES BY MINISTRY (a)

Schedule 2

	In millions		
	2001		2000
	Budget	Actual	Actual
Offices of the Legislative Assembly	$ 56	$ 50	$ 38
Ministries			
Health and Wellness	5,653	5,955	5,486
Learning	4,497	4,483	4,213
Infrastructure	1,766	2,561	1,868
Treasury	1,599	1,577	1,466
Human Resources and Employment	1,031	1,006	976
Agriculture, Food and Rural Development	642	778	781
Children's Services	537	584	506
Justice	457	450	409
Community Development	370	439	354
Environment	328	363	446
Innovation and Science	186	183	170
Gaming	183	181	179
Municipal Affairs	142	163	133
Resource Development	150	145	133
Economic Development	51	50	47
Government Services	48	49	47
International and Intergovernmental Relations	34	34	39
Executive Council	13	13	13
Unallocated pension provisions	(15)	(26)	(12)
	$ 17,728	$ 19,038	$ 17,292

a) To provide proper accountability for the 2000-01 fiscal year against the original business plan, this schedule has been prepared as if the restructuring referred to in Note 9 took place on April 1, 2001.

EXPENSES BY OBJECT

Schedule 3

	In millions	
	2001	2000
Grants	$ 13,500	$ 12,074
Services	1,989	1,975
Salaries, wages, employment contracts and benefits	1,296	1,194
Interest and amortization of exchange losses	1,283	1,282
Amortization provision	258	230
Materials and supplies	235	217
Pension liability funding	174	151
Travel and communication	117	108
Valuation adjustments (Schedule 4)	147	33
Corporate tax interest refunds	20	17
Other	19	11
	$ 19,038	$ 17,292

VALUATION ADJUSTMENTS

Schedule 4

In millions

	2001		2000
	Budget	Actual	Actual
Provision for losses, doubtful accounts, loans, guarantees and indemnities	$ 121	$ 122	$ 114
Pension provisions	19	14	(85)
Provision for employee benefits other than pensions	1	11	4
	$ 141	$ 147	$ 33

NET INCREASE IN CAPITAL ASSETS AFFECTING OPERATIONS

Schedule 5

In millions

	2001		2000
	Budget	Actual	Actual
Cost of capital assets acquired during the year	$ (429)	$ (443)	$ (304)
Amortization provision	280	258	230
	$ (149)	$ (185)	$ (74)

CASH AND TEMPORARY INVESTMENTS

Schedule 6

In millions

	2001		2000	
	Book Value	Fair Value	Book Value	Fair Value
Fixed-income securities (a)				
Government of Canada, direct and guaranteed	$ 215	$ 215	$ 281	$ 281
Provincial, direct and guaranteed	125	125	93	93
Corporate	66	66	57	57
Pooled funds	16	16	15	15
	422	422	446	446
Cash and cash equivalents	887	887	1,093	1,093
	$ 1,309	$ 1,309	$ 1,539	$ 1,539

a) Fixed-income securities have an average effective yield of 5.8% per annum (2000 5.8% per annum). Approximately 95% (2000 94%) of the securities have terms to maturity of less than five years.

PORTFOLIO INVESTMENTS

Schedule 7

In millions

	2001		2000	
	Book Value	**Fair Value**	**Book Value**	**Fair Value**
Fixed-income securities (a)(b)(c)(d)				
Government of Canada, direct and guaranteed	$ 1,628	$ 1,638	$ 1,712	$ 1,684
Provincial, direct and guaranteed	1,549	1,561	1,645	1,621
Municipal	70	72	71	71
Corporate	3,005	3,026	2,901	2,871
Pooled funds	3,327	3,270	2,792	2,684
	9,579	9,567	9,121	8,931
Equities (d)				
Canadian	2,078	2,136	1,161	1,842
Foreign	3,311	2,902	2,223	2,375
Real estate	451	480	429	436
	5,840	5,518	3,813	4,653
	$ 15,419	$ 15,085	$ 12,934	$ 13,584

a) The majority of the Province's fixed-income securities are managed in the Transition portfolio of the Alberta Heritage Savings Trust Fund. As at March 31, 2001, the Transition portfolio held $3.99 billion (2000 $6.07 billion) of public fixed-income securities at cost (Fair value $4.03 billion (2000 $5.99 billion)). The securities held have a weighted average effective yield of 5.05% per annum (2000 5.81% per annum) based on market for securities maturing in a year, and 5.10% per annum (2000 6.36% per annum) for securities maturing between 1 and 35 years. As at March 31, 2001, the Portfolio has the following term structure based on principal amount:

	2001	2000
	%	%
Under 1 year	32	16
1 to 5 years	58	64
Over 5 years	10	20

b) Fixed-income securities are also held by the General Revenue Fund to repay debt as it matures. As at March 31, 2001, the General Revenue Fund held $2.05 billion of fixed-income securities at cost (Fair value $2.05 billion). The securities held have an average effective market yield of 4.9% per annum. Ninety-eight per cent of the securities held have terms to maturity of less than two years.

c) Fixed-income securities include no sinking fund investments which are restricted for the settlement of debt issues of Alberta Municipal Financing Corporation (2000 $231 million).

d) The Alberta Heritage Savings Trust Fund uses derivative contracts to enhance return, hedge risks and manage asset mix. As at March 31, 2001, the notional amount of all derivative contracts issued by the Heritage Fund amounted to $1.25 billion (2000 $1.47 billion).

EQUITY IN COMMERCIAL ENTERPRISES

Schedule 8

	In millions 2001	2000
Accumulated surpluses		
Accumulated surpluses at beginning of year	$ 482	$ 238
Total revenue	3,266	3,002
Total expense	1,628	1,428
Net revenue	1,638	1,574
Net transfers to departments and other adjustments	1,491	1,330
Accumulated surpluses at end of year	$ 629	$ 482
Represented by		
Assets		
Loans	$ 9,546	$ 8,925
Investments	939	854
Other	1,496	1,140
Total assets	11,981	10,919
Liabilities		
Accounts payable	416	355
Deposits	10,919	9,925
Unmatured debt	17	157
Total liabilities	11,352	10,437
	$ 629	$ 482
Accumulated surpluses at end of year		
Alberta Treasury Branches	$ 434	$ 273
Alberta Gaming and Liquor Commission	122	141
Credit Union Deposit Guarantee Corporation	72	67
N.A. Properties (1994) Ltd.	1	1
	629	482
Elimination of inter fund/agency balances	35	35
Equity in commercial enterprises at end of year	$ 664	$ 517

LOANS AND ADVANCES

Schedule 9

	In millions	
	2001	**2000**
Loans and advances made under the authority of		
Alberta Municipal Financing Corporation Act (a)	$ 3,494	$ 3,538
Agriculture Financial Services Act (b)	806	713
Alberta Heritage Savings Trust Fund Act	153	154
Alberta Opportunity Fund Act	131	128
Farm Credit Stability Act	125	185
Alberta Housing Act	30	44
Financial Administration Act	26	14
	4,765	4,776
Less allowance for doubtful accounts	92	94
	$ 4,673	$ 4,682

a) Municipal loans on average yield 9.4% per annum (2000 9.8%) and have the following term structure as at March 31, 2001.

	2001	**2000**
	%	%
Under 1 year	2	1
1 to 5 years	19	25
6 to 10 years	41	42
Over 10 years	38	32

b) Agricultural loan portfolios on average yield 7.4% to 7.5% per annum (2000 7.5% to 7.8%) and have the following term structure as at March 31, 2001.

	2001	**2000**
	%	%
Under 1 year	7	2
1 to 5 years	29	8
6 to 10 years	32	22
Over 10 years	32	68

INVENTORIES HELD FOR RESALE

Schedule 10

	In millions	
	2001	**2000**
Royalty oil	$ 56	$ 49
Other inventories for resale	13	14
	$ 69	$ 63

UNMATURED DEBT

Schedule 11

			In millions			
	2001				2000	
	Effective Rate (a)(b)(c)	**Modified Duration (d)**	**Book Value (a)**	**Fair Value (a)**	**Book Value (a)**	**Fair Value (a)**
	%	**years**				
Direct debt						
Canadian dollar debt and fully hedged foreign currency debt						
Floating rate and short-term fixed rate (e)	6.83	0.30	$ 1,804	$ 1,874	$ 2,286	$ 2,362
Fixed rate long-term (f)	6.87	4.94	4,735	5,196	5,246	5,611
	6.86	3.71	6,539	7,070	7,532	7,973
Unhedged U.S. dollar debt (g)						
Floating rate and short-term fixed rate (e)	5.93	0.25	2,127	2,289	2,942	3,019
Fixed rate long-term	6.70	2.01	1,221	1,406	1,213	1,209
	6.22	0.92	3,348	3,695	4,155	4,228
Total direct debt	6.64	2.75	9,887	10,765	11,687	12,201
Alberta Social Housing Corporation Canadian dollar fixed rate debt			89	89	90	90
Total unmatured debt			$ 9,976	$ 10,854	$ 11,777	$ 12,291

a) Book value represents the amount the Province owes. Fair value is an approximation of market value to the holder. The book value, fair value and weighted average effective rate include the effect of interest rate and currency rate swaps. For non-marketable issues, the effective rate and fair value are determined by reference to yield curves for comparable quoted issues.

b) Weighted average effective rates on unhedged U.S. dollar debt are based upon debt stated in U.S. dollars.

c) Weighted average effective rate on total direct debt is on debt inclusive of deferred exchange gains and losses on unhedged U.S. dollar debt (see note (g)).

d) Modified duration is the weighted average term to maturity of a security's cash flows (i.e., interest and principal) and is a measure of price volatility. The greater the modified duration of a bond, the greater its percentage price volatility.

e) Floating rate debt includes short-term debt, term debt with less than one year remaining to maturity, and term debt with interest rate reset within a year.

f) Canadian dollar fixed rate debt includes $679 million (2000 $679 million) held by the Canada Pension Plan Investment Fund.

g) Unhedged U.S. dollar debt is translated into Canadian dollars at the March 31 noon exchange rate of $1.5774 per U.S. dollar (2000 $1.4535 per U.S. dollar). Deferred exchange losses on unhedged U.S. dollar debt amounted to $154 million at March 31, 2001 (2000 deferred exchange gains of $5 million). Amortization of deferred exchange losses amounted to $122 million for the year ended March 31, 2001 (2000 $5 million).

Schedule 11 (continued)

Debt principal repayment requirements at par in each of the next five years, including short-term debt maturing in 2001-02, and thereafter are as follows:

	In millions	
	Total	Includes Unhedged
2001-02	$ 1,434	US$ 376
2002-03	1,525	807
2003-04	1,837	500
2004-05	1,619	439
2005-06	1,262	108
Thereafter	2,443	46
	$ 10,120	US$ 2,276

Some of the direct debt has call provisions. Years to maturity reflect original maturity date and not early call date. Debt with call provisions occurring in under one year is $316 million (2000 $611 million), and in one to five years is $70 million (2000 $74 million).

Derivative financial instruments

The Province uses interest rate swaps and currency rate swaps and contracts to manage the interest rate risk and currency exposure associated with unmatured debt. In addition, forward interest rate agreements may be used to manage interest rate exposure in the short term. Associated with these instruments are credit risks that could expose the Province to potential losses. Credit risk relates to the possibility that a loss may occur from the failure of another party to perform according to the terms of a contract. Credit exposure to counterparties is insignificant in relation to the notional principal amount, as shown in the table below. The Province minimizes its credit risk associated with these contracts by dealing with only the most credit worthy counterparties.

Interest rate swaps involve the exchange of a series of interest payments, either at a fixed or floating rate, based upon a contractual or notional principal amount. An interest rate swap agreement based upon a notional amount involves no exchange of underlying principal. The notional amount serves as the basis for determining the exchange of interest payments. At March 31, 2001, interest rate swap agreements were being used primarily to convert fixed interest rate payments to floating rates.

Cross currency interest rate swaps involve both the swapping of interest rates and currencies.

Currency rate swaps including foreign exchange contracts involve an agreement to exchange United States dollars and other currencies into Canadian and United States dollars at an agreed upon rate and on an agreed settlement date.

The following table summarizes the Province's derivative portfolio and related credit exposure:

	In millions			
	2001		2000	
	Notional Amount	Replacement Cost	Notional Amount	Replacement Cost
Interest rate swaps	$ 3,456	$ 8	$ 3,409	$ 44
Cross currency interest rate swaps	1,249	54	998	7
Currency rate swaps including foreign exchange contracts (stated in Canadian dollars)	8	1	332	40
	$ 4,713	$ 63	$ 4,739	$ 91

Schedule 11 (continued)

Notional amount represents the amount to which a rate or price is applied in order to calculate the exchange of cash flows. Replacement cost represents the cost of replacing at current market rates all contracts which have a positive market value.

DEBT AND EQUITY OF ALBERTA MUNICIPAL FINANCING CORPORATION

Schedule 12

	In millions	
	2001	2000
Alberta Municipal Financing Corporation		
Canadian dollar fixed rate debt (a)	$ 3,443	$ 3,563
Equity (b)	$ 139	$ 262

a) Canadian dollar fixed rate debt includes $3,098 million (2000 $3,098 million) held by the Canada Pension Plan Investment Fund and has the following characteristics as at March 31, 2001 (see Schedule 11 note (a)).

Fair value	$4,048 million (2000 $4,503 million)
Effective rate per annum	11.1% (2000 12.1%)

Debt principal repayment requirements in each of the next five years, including short-term debt maturing in 2001-02, and thereafter are as follows:

	In millions
2001-02	$ 412
2002-03	455
2003-04	441
2004-05	338
2005-06	284
Thereafter	1,513
	$ 3,443

b) Alberta Municipal Financing Corporation equity has been included in liabilities of the Province because it represents profits of the corporation which the corporation has the power to pay to municipal and other shareholders that have borrowed money from the corporation.

Pension obligations are based upon actuarial valuations performed at least triennially using the projected benefit method prorated on services. The assumptions used in the valuations were adopted after consultation between the pension plan boards, the government and the actuaries, depending on the plan, and represent best estimates of future events. Each plan's future experience will inevitably vary, perhaps significantly, from the assumptions. Any differences between the actuarial assumptions and future experience will emerge as gains or losses in future valuations. Gains and losses are amortized over the expected average remaining service lives of the related employee groups.

Information about the economic assumptions used in the most recent actuarial valuations is provided below for each plan. Demographic assumptions used in the valuations reflect the experience of the plans.

Plan	Latest Valuation	Real Rate of Return %	Inflation Rate %	Investment Rate of Return %
Teachers' Pension Plan	August 31, 2000	4.5	3.5	8.0
Universities Academic Pension Plan	December 31, 2000	4.0	3.5	7.5
Special Forces Pension Plan	December 31, 2000	3.75	3.25	7.0
Public Service Management (Closed Membership) Pension Plan	December 31, 1999	4.25	3.0	7.25
Members of the Legislative Assembly Pension Plan	December 31, 1997	4.0	3.5	7.5
Management Employees Pension Plan	December 31, 1999	4.25	3.0	7.25
Public Service Pension Plan	December 31, 1998	4.25	3.25	7.5

Except for the Public Service and Management Employees plans, these actuarial valuations indicated a deficiency of net assets over the actuarial present value of accrued benefits. Including deferred adjustments, these unfunded liabilities were extrapolated to March 31, 2001.

A separate pension plan fund is maintained for each pension plan except for the Members of the Legislative Assembly plan. Pension plan fund assets are invested in both marketable investments of organizations external to the government and in Province of Alberta bonds and promissory notes.

	In millions 2001	2000
Obligations to pension plans for employees of organizations outside the government reporting entity		
Teachers' Pension Plan (a)	$ 3,833	$ 3,805
Universities Academic Pension Plan (b)	145	121
Special Forces Pension Plan (b)	54	55
	4,032	3,981
Obligations to pension plans for current and former employees and Members of the Legislative Assembly		
Public Service Management (Closed Membership) Pension Plan (c)	642	654
Members of the Legislative Assembly Pension Plan (d)	49	49
Management Employees Pension Plan (c)	19	39
Public Service Pension Plan (c)	-	5
	710	747
	$ 4,742	$ 4,728

a) The Alberta Teachers' Retirement Fund Board is a trustee and administrator of the Teachers' Pension Plan and operates under the authority of the Teachers' Pension Plans Act. The Act requires all teachers under contract with public and separate school jurisdictions in Alberta to contribute to the Teachers' Pension Plan.

Under the Teachers' Pension Plans Act, the unfunded liability for service credited prior to September 1, 1992 is being financed by additional contributions in the ratio of 67.35 per cent by the Province and 32.65 per cent by the teachers over the period ending August 31, 2060. In addition, for service after August 1992, the Province funds 50 per cent of any current service costs and related actuarial adjustments, including certain cost of living benefits.

The Act provides that payment of all benefits prior to September 1, 1992 is guaranteed by the Province.

b) Under the Public Sector Pension Plans Act, the Province has obligations for payment of additional contributions under defined benefit pension plans for certain employees of post-secondary educational institutions and municipalities. The plans are the Universities Academic and Special Forces pension plans.

For Universities Academic, the unfunded liability for service credited prior to January 1, 1992 is being financed by additional contributions of 1.25 per cent of pensionable salaries by the Province, and such percentages by employers and employees as will fund equally the remaining amount as determined by the plan valuation, over the period ending on or before December 31, 2043. Current service costs are funded by employers and employees.

For Special Forces, the unfunded liability for service credited prior to January 1, 1992 is being financed by additional contributions in the ratio of 45.45 per cent by the Province and 27.27 per cent each by employers and employees, over the period ending on or before December 31, 2036. Current service costs are funded by employers and employees. The Act provides that payment of all benefits arising from pensionable service prior to 1994, excluding post-1991 cost of living adjustment benefits, is guaranteed by the Province.

c) The Province administers defined benefit pension plans for substantially all of its employees. The plans are the Public Service Management (Closed Membership), Management Employees and Public Service pension plans. An employee can be a member of only one plan at a time.

The Public Service Management (Closed Membership) pension plan provides benefits to former members of the Public Service Management pension plan who were retired, were entitled to receive a deferred pension or had attained 35 years of service before August 1, 1992. After all assets in the plan are exhausted, all benefits under the plan will be paid by the Province.

For Management Employees, the December 31, 1999 actuarial valuation disclosed an actuarial surplus for service credited prior to January 1, 1992. Accordingly, additional contributions by the Province as employer ceased effective January 1, 2000. Current service costs are funded by employers and employees.

Schedule 13 (continued)

For Public Service, the December 31, 1998 actuarial valuation disclosed an actuarial surplus for service credited prior to January 1, 1992. Accordingly, additional contributions by the Province ceased effective January 1, 1999. Current service costs are funded by employers and employees.

The total pension related expenses include the following components:

	In millions 2001	2000
Pension contributions for current service	$ 63	$ 54
Amortization of net gains, less interest on the Province's liability	(37)	(167)
	$ 26	$ (113)

d) The Province has a liability for payment of pension benefits under a defined benefit pension plan for certain current and former Members of the Legislative Assembly. Active participation in this plan was terminated as of June 1993, and no benefits can be earned for service after that date.

OTHER ACCRUED LIABILITIES

Schedule 14

	In millions 2001	2000
Guarantees, indemnities and remissions		
Credit union assistance	$ 69	$ 84
Remissions for student loans (Schedule 15)	38	12
Guarantees (Schedule 15)	17	17
Other	126	136
	250	249
Future funding to school boards to enable them to repay debentures issued to the Alberta Municipal Financing Corporation	793	892
Vacation entitlements	144	133
Other	7	18
	$ 1,194	$ 1,292

GUARANTEES (a)

Schedule 15

	In millions 2001	 2000	Expiry Date
Farm Credit Stability Act (b)	$ 130	$ 192	2011
Alberta Housing Act	107	121	2018
Student Loan Act	99	57	Ongoing
Agriculture Financial Services Act	57	59	Ongoing
Feeder associations	50	50	Ongoing
Alberta Opportunity Fund Act	6	3	Ongoing
Agricultural Societies Act (b)	3	3	2015
Rural utilities loans	2	3	2009
Centre for Engineering Research Inc.	2	3	2005
Securities Act	2	2	Ongoing
University of Calgary	1	1	2016
	459	494	
Less: Estimated liability (Schedule 14)			
Remissions for student loans	38	12	
Guarantees	17	17	
	55	29	
	$ 404	$ 465	

a) Authorized loan guarantee limits are shown below where applicable. Where authorized loan guarantee limits are not noted, the authorized limits decline as guaranteed or indemnified loans are repaid.

No new program guarantees are being issued under the Farm Credit Stability Act. After October 29, 1999, no new program guarantees are being issued under the Rural Utilities Act.

Guarantee programs under the following Acts are ongoing:

- Student Loan Act (authorized guarantee limit set by Order in Council is $400 million),
- Agriculture Financial Services Act,
- Feeder Associations Guarantee Act (authorized guarantee limit set by Order in Council is $55 million),
- Alberta Opportunity Fund Act,
- Agricultural Societies Act (authorized guarantee limit set by statute is $50 million - no guarantees were given under this program during 2000-01), and
- Securities Act (the guarantee has no expiry date).

The lender takes appropriate security prior to issuing to the borrower a loan which is guaranteed by the Province. The security taken depends on the nature of the loan. Interest rates are negotiated with the lender by the borrower and typically range from prime to prime plus two per cent.

b) The expiry date shown is the latest expiry date for guaranteed loans under the program.

The financial statements of the following organizations are consolidated in these financial statements:

Offices of the Legislative Assembly
Support to the Legislative Assembly
Office of the Auditor General
Office of the Ombudsman
Office of the Chief Electoral Officer
Office of the Ethics Commissioner
Office of the Information and Privacy Commissioner

Departments
Agriculture, Food and Rural Development
Children's Services
Community Development
Economic Development
Environment
Executive Council
Gaming
Government Services
Health and Wellness
Human Resources and Employment
Infrastructure
Innovation and Science
International and Intergovernmental Relations
Justice
Learning
Municipal Affairs
Resource Development (a)
Treasury (a)

Regulated Funds
Alberta Heritage Foundation for Medical Research Endowment Fund
Alberta Heritage Savings Trust Fund
Alberta Heritage Scholarship Fund
Alberta Heritage Science and Engineering Research Endowment Fund
Alberta Risk Management Fund
Alberta School Foundation Fund
Crop Reinsurance Fund of Alberta
Environmental Protection and Enhancement Fund
Historic Resources Fund
Lottery Fund
Science and Research Fund (c)
Supplementary Retirement Plan Reserve Fund
Utility Companies Income Tax Rebates Fund (c)
Victims of Crime Fund

Schedule 16 (continued)

Provincial Agencies

Agriculture Financial Services Corporation
Alberta Agricultural Research Institute (b)
Alberta Alcohol and Drug Abuse Commission
Alberta Dairy Control Board
Alberta Energy and Utilities Board
Alberta Foundation for the Arts
The Alberta Historical Resources Foundation
Alberta Informatics Circle of Research Excellence Inc.
Alberta Municipal Financing Corporation
Alberta Oil Sands Technology and Research Authority (b)
Alberta Opportunity Company
Alberta Pensions Administration Corporation
Alberta Petroleum Marketing Commission
Alberta Research Council (c)
Alberta Research Council Inc.
Alberta Science and Research Authority
Alberta Securities Commission
Alberta Social Housing Corporation
Alberta Sport, Recreation, Parks and Wildlife Foundation
Awasak Child and Family Services Authority
Calgary Rocky View Child and Family Services Authority
Child and Family Services Authority Region 13
Diamond Willow Child and Family Services Authority
Edmonton Community Board for Persons with Developmental Disabilities
The Government House Foundation
Hearthstone Child and Family Services Authority
Human Rights, Citizenship and Multiculturalism Education Fund
Keystone Child and Family Services Authority
Ma'Mowe Capital Region Child and Family Services Authority
Metis Settlements Child and Family Services Authority
Natural Resources Conservation Board
Neegan Awas'sak Child and Family Services Authority
Persons with Developmental Disabilities Calgary Region Community Board
Persons with Developmental Disabilities Central Alberta Community Board
Persons with Developmental Disabilities Foundation
Persons with Developmental Disabilities Michener Centre Facility Board
Persons with Developmental Disabilities Northeast Alberta Community Board
Persons with Developmental Disabilities Northwest Alberta Community Board
Persons with Developmental Disabilities Provincial Board
Persons with Developmental Disabilities South Alberta Board
Region 14 Child and Family Services Authority
Ribstone Child and Family Services Authority
Sakaigun Asky Child and Family Services Authority
Sakaw-Askiy Child and Family Services Authority
Silver Birch Child and Family Services Authority
Southeast Alberta Child and Family Services Authority

Provincial Agencies (continued)
Sun Country Child and Family Services Authority
West Yellowhead Child and Family Services Authority
The Wild Rose Foundation
Windsong Child and Family Services Authority

Non-commercial Crown-controlled Corporation
Alberta Insurance Council

The following organizations are accounted for on the equity basis in these financial statements:

Commercial Enterprises
Alberta Gaming and Liquor Commission
The Alberta Government Telephones Commission
Alberta Treasury Branches
Credit Union Deposit Guarantee Corporation
N.A. Properties (1994) Ltd.

Commercial Crown-controlled Corporation
Gainers Inc.

a) Eliminated on March 15, 2001 as a result of government restructuring. See Note 9 for a list of newly created departments.

b) Privatized, wound up or ceased operations in 2000-01.

c) Privatized, wound up or ceased operations in 1999-2000.

Measuring Up

ABOUT MEASURING UP . . .

PURPOSE OF THE REPORT

This is the seventh annual *Measuring Up* report to Albertans on the performance of the Government of Alberta. *Measuring Up* is an accountability document required under section 10 of the *Government Accountability Act*. The results reported relate to the *2000-03 Government Business Plan* published as part of *Budget 2000 - New Century Bold Plans*.

GOVERNMENT BUSINESS PLAN

The government business plan is an ongoing three-year plan that focuses the government's efforts on three core businesses: *People, Prosperity* and *Preservation*. The government business plan sets out goals for each of the core businesses with key strategies for achieving each goal, and core measures to track performance results. The *2000-03 Government Business Plan* has 19 goals and 27 core performance measures (see Appendix II).

CORE MEASURES AND TARGETS

Specific targets are set for each of the government's core performance measures (see Appendix I for core measures methodology). Each year in *Measuring Up*, results are reported for each measure relative to the target that has been set. These results are used as indicators of the government's progress towards achieving its goals. The performance summary is presented on pages 49 and 50, and a table comparing 2000-01 performance results to 1999-00 results follows. A complete presentation of results for the fiscal year ended March 31, 2001 begins on page 55.

WHY SO FEW MEASURES

Just as there are a few instruments on the dashboard of a car, we have selected a few key indicators that best represent the overall performance in areas that are priorities to Albertans. Just as a car's instruments do not indicate everything about your car, the core performance measures do not tell us everything about the government performance. They do, however, provide a rough measure of the progress Alberta is making in key areas such as the economy, health, education, justice and the environment. Core measures also have supplemental information to help the reader's understanding of the results.

MINISTRY MEASURES

In addition, each government ministry has a set of key performance measures that relate to their business plan goals and objectives. Ministry measures provide more detailed information on specific program performance and can help identify areas for improvement. These measures are reported in ministry annual reports released in the fall of each year. They provide information on results achieved in ministry programs and services. A compilation of key ministry measures as they relate to the government goals is found in Appendix III.

CROSS-MINISTRY INITIATIVES

Each year, the government business plan focuses on four key cross-ministry initiatives. The 2000-01 initiatives are the Aboriginal Policy Initiative, the Alberta Corporate Service Centre - Shared Services Initiative, the Corporate Human Resource Development Strategy and the Economic Development Strategy.

The cross-ministry initiatives engage people from various ministries in finding innovative and effective ways of meeting people's needs. This co-operative approach recognizes that many issues are not isolated to a single ministry.

Information on the government's progress in relation to the goals established for each of these initiatives can be found in Appendix IV.

REALIGNMENT OF MINISTERIAL RESPONSIBILITIES

As *Measuring Up 2000-01* reports on the results achieved relative to the first year of the *2000-03 Government Business Plan*, all ministerial references in the body and appendices of the report reflect ministerial responsibilities that existed before the 2001 general election and the subsequent realignment of ministerial responsibilities. However, source references in the charts and tables reflect the new ministerial responsibilities as this information was provided subsequent to the ministerial realignment.

AN INVITATION TO RATE OUR PERFORMANCE

After reading *Measuring Up*, please tell us what you think of it. A readership survey is provided for you to mail or fax to us. You can also contact us by e-mail at measuringup@gov.ab.ca.

Measuring Up

PERFORMANCE SUMMARY

This report provides information on the Alberta government's progress in relation to its goals in each of the three core businesses: *People, Prosperity* and *Preservation.*

For 2000-01, the government's agenda focused on:

- addressing a changing agricultural industry;
- implementing a new economic development strategy;
- providing excellent education and training;
- maintaining Alberta's tax advantage, and
- sustaining Alberta's health system.

This agenda was reflected in the *2000-03 Government Business Plan* goals and strategies.

Good results have been achieved in . . .

- **Life Expectancy at Birth** - In 1999, life expectancy for Alberta males ranked among the top ten countries in the world at 76.8 years.
- **Health Status** - In 2000, the percentage of Albertans over 65 years who rate their health as "good", "very good" or "excellent" has exceeded the target two years in a row.
- **Educational Attainment** - In 2000, Alberta maintained its national ranking of third for high school completion and has moved up to 5th from 6th for post-secondary completion.
- **Literacy and Numeracy Levels** - 90% of Alberta grade 9 students writing the provincial achievement test in 2000 met the acceptable standard in language arts, exceeding provincial expectations.
- **Gross Domestic Product** - The three-year average annual growth rate was 10.0% for 1998 to 2000, well beyond the target range of 4 to 6%.
- **Job Growth** - 34,900 net new jobs were created in 2000 bringing the total to 179,800 over the past four years, exceeding the target of 155,000 new jobs by December 2000.
- **Infrastructure Capacity** - With the Alliance Pipeline coming on stream in 2000, there was sufficient export gas pipeline capacity to meet demand.
- **Taxation Load** - Alberta's provincial tax load on persons is the lowest in Canada, meeting our target.
- **Provincial Credit Rating** - Alberta's blended credit rating as of March 31, 2001 was triple A, the highest among the provinces, achieving our target.
- **Accumulated Debt** - As of March 31, 2001 accumulated debt less $2.1 billion cash set aside for future debt repayment was $8.2 billion, exceeding the 2004-05 target; net assets were $9.0 billion.
- **Export Trade** - The value of international commodity exports increased by 59.9% to $55.3 billion in 2000.
- **Air Quality** - No days of poor air quality were reported in 2000.
- **Water Quality** - Water quality downstream of Edmonton, Calgary and Lethbridge is improving due to upgraded wastewater treatment facilities in each of these cities.

- **Intergovernmental Relations** - In 2000, Alberta's approval rating on federal-provincial relations was 15% higher than the four-province average.

Areas for improvement include . . .

- **Life Expectancy** - In 1999, life expectancy for Alberta females ranked 13th in the world at 81.8 years, below the target of being among the top ten countries in the world.
- **Access to Health Services** - In 2000, 7% of Albertans rated their ease of access to health services as "very difficult".
- **Literacy and Numeracy Levels** - In 2000, 74% of grade 9 students writing the mathematics achievement test attained the acceptable standard, below provincial expectations of 85%.
- **Cost of Government** - In 1999-00, provincial government expenditure increased to 97% of the average per capita expenditure of the nine other provinces, slightly off the target to remain 5% below the nine-province average.
- **Workplace Climate** - In 2000, Alberta had the fourth lowest rate of person-days lost due to work stoppages among the provinces, falling below the target to be among the three lowest.
- **Crime Rate** - In 1999, Alberta's violent crime rate and property crime rate were above the Canadian rate.
- **Water Quality** - Water quality tends to be lower downstream of areas of significant urban, industrial or agricultural development.
- **Land Quality** - Land productivity, expressed as crop yield per acre, declined to 0.86 tonnes per acre, below the target of 0.98 tonnes per acre.

CHANGES IN RESULTS FROM PREVIOUS YEAR

The table on pages 52 and 53 summarizes the changes in results from the 1999-00 report for the 27 core measures.

Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Information

TO THE MEMBERS OF THE LEGISLATIVE ASSEMBLY

In connection with the Province of Alberta's core measures and supplemental information included in the Government of Alberta Annual Report for the year ended March 31, 2001, I have:

Core Measures

1. agreed information from an external organization, such as Statistics Canada, to reports from the organization.
2. agreed information from reports that originated within the Government of Alberta to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. checked that the presentation of results is consistent with the methodology stated in Appendix I.
4. checked that the results presented are comparable to stated targets, and information presented in prior years.
5. checked that the core measures, as well as targets, agree to and include results for all of the measures presented in Budget 2000.

Supplemental Information

6. agreed the information to source reports. In addition, I checked that the supporting narrative is consistent with the information.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the core measures and supplemental information included in the Government of Alberta Annual Report for the year ended March 31, 2001.

Peter Valentine
FCA
Auditor General

Edmonton, Alberta
June 15, 2001

2000-01 Measuring Up Performance Results

Performance Results Compared to the *1999-00 Measuring Up* Results

PEOPLE

No.	Goals	Measures	Changes	Results
1	Albertans will be healthy.	***Life Expectancy at Birth***	▬	In 1999, life expectancy for Alberta females ranked 13th among countries at 81.8 years (2nd in 1998 at 82 years) while Alberta males ranked 3rd with Australia at 76.8 years (3rd in 1998 at 76.3 years).
		Health Status	▬	In 2000, the percentage of Albertans aged 18-64 years who rated their health as "very good" or "excellent" and the percentage of Albertans aged 65 years and over who rated their health as "good", "very good" or "excellent" has not changed significantly from the previous year.
2	Our children will be well cared for, safe, successful at learning and healthy.	***Well-Being of Children***	▬	In 1997, based on preliminary data, Alberta had the highest percentage of children (91%) living in families with incomes above the Market Basket Measure (MBM) low income threshold, compared to other provinces. Actual MBM data will be released by Statistics Canada in Fall 2002.
3	Alberta students will excel.	***Educational Attainment***	▬	In 2000, 89.7% of Albertans aged 25-34 had completed high school and 56.1% had completed post-secondary, up from 87.5% and 55.4% respectively.
4	Albertans will be independent.	***Literacy and Numeracy Levels***	▬	In 2000, 90% achieved the language arts standard and 74% achieved the mathematics standard, up from 88% and 72% respectively.
		Family Income Distribution	▬	In 1998, the percentage of Alberta families with incomes less than $20,000 decreased by 1.6 percentage points to 7.4%. Data for 1999 was unavailable at time of publication.
5	Albertans unable to provide for their basic needs will receive help.	***Economic Status of Albertans***	New	In 1997, based on preliminary data, Alberta had the highest percentage of people (92%) living with incomes above the Market Basket Measure (MBM) low income threshold, compared to other provinces. Actual MBM data will be released by Statistics Canada in Fall 2002.

PROSPERITY

No.	Goals	Measures	Changes	Results
6	Alberta will have a prosperous economy.	***Gross Domestic Product***	⇧	Three-year average annual growth increased to 10.0% for 1998 to 2000, well beyond our target range of 4 to 6%.
		Job Growth	⇧	34,900 new jobs created in 2000. 179,800 new jobs over the four year period ending December 31, 2000 exceeding the target of 155,000.
7	Our workforce will be skilled and productive.	***Skill Development***	▬	86.5% of employers satisfied with the skills of recent degree or diploma graduates in 1999-00, below the target of 90% (biannual survey – new data next year).
8	Alberta businesses will be increasingly innovative.	***Business Innovation***	New	Alberta business use of the Internet to be presented next year.
9	Alberta's value-added industries will lead economic growth.	***Value-Added Industries***	▬	Manufacturing accounted for 11.1% of Alberta's GDP in 1999, approximately the same as 1998 (based on preliminary estimates).
10	Alberta will have effective and efficient infrastructure.	***Infrastructure Capacity***	▬	89.6% of rural sections of the National Highway System at Level of Service B or better; Export gas pipeline utilization at 96% ; Non-government (industry and non-profit) sponsored research at 26.5% of sponsored university research, down from 1998-99.
11	Alberta will have a financially stable, open and accountable government.	***Taxation Load***	⇧	Lowest overall tax burden on persons among the provinces (51.6% of provincial average), satisfying the target.
		Provincial Credit Rating	⇧	Blended credit rating of triple A, highest possible rating and highest among the provinces.
		Accumulated Debt	⇧	At March 31, 2001 accumulated debt less $2.1 billion cash set aside for future debt repayment was $8.2 billion, lower than last year and exceeding the 2004-05 target.
		Cost of Government	↓	Per capita government expenditure at 97% of the average per capita expenditure of the nine other provinces, slightly off the target to remain 5% below the average.
12	Alberta will have a fair and safe work environment.	***Workplace Climate***	↓	Fourth lowest among the provinces for person-days lost due to work stoppages (below target), and third lowest for injury and disease.
13	Alberta businesses will increase exports.	***Export Trade***	⇧	Commodity exports increased by 59.9% in 2000 to $55.3 billion.

2000-01 Measuring Up Performance Results - *continued*

Performance Results Compared to the *1999-00 Measuring Up* Results

PRESERVATION

No.	Goals	Measures	Changes	Results
14	Alberta will be a safe place to live and raise families.	***Crime Rate***	▬	In 1999, the gap between the national property crime rate and the Alberta rate increased by 3.4%, while the gap in violent crime rate decreased by 1.1%.
15	Alberta's natural resources will be sustained.	***Resource Sustainability***	▬	Alberta's timber harvest remained below the annual allowable cut. Farm crop yield decreased to 0.86 tonnes per acre.
16	The high quality of Alberta's environment will be maintained.	***Air Quality***	▬	In 2000, there was no change from 1999 in the number of days rated as "poor" or "very poor".
		Water Quality	⇧	Water quality downstream of Edmonton, Calgary and Lethbridge is improving due to upgraded wastewater treatment facilities in each of these cities.
		Land Quality	⬇	Farm crop yield decreased 0.16 tonnes per acre to 0.86 tonnes per acre in 2000.
17	Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources.	***Heritage Appreciation***	▬	Visitations to provincial parks and recreation areas and to provincially owned historic sites, museums and interpretative centres remained relatively constant.
18	Alberta will work with other governments and maintain its strong position in Canada.	***Intergovernmental Relations***	⬇	In 2000, the Alberta government's approval ratings in federal-provincial relations was 15% higher than the four-province average, down from 1999.
19	The well-being and self reliance of Aboriginal people will be comparable to that of other Albertans.	***Under development***	New	Measure under development.

⇧	Improved performance (5% higher)
▬	No significant change from previous year
⬇	Declining performance (5% lower)

core business *People...*

The goals for the ***People*** core business are directed at improving the quality of life in Alberta for individuals and their families through the government's priorities for health, education, our children, those in need, and Aboriginal Albertans.

People

Helping people to be self-reliant, capable and caring through:

- a healthy society and accessible health care
- basic support and protection for those in need
- lifelong learning
- excellent schools, colleges, universities and training institutes
- supportive families and compassionate communities.

There are five government goals for the *People* core business, and seven performance measures including a new measure for the **Economic Status of Albertans**. Six measures remained unchanged in their performance. The following are the 2000-01 performance highlights for the *People* measures.

MEANING OF SYMBOLS

⇧ improved performance (5% higher)

▬ no significant change in performance from previous year

⬇ declining performance (5% lower)

PERFORMANCE HIGHLIGHTS

▬ **Life Expectancy at Birth** - In 1999, life expectancy for Alberta females ranked 13th in the world at 81.8%, while males tied for 3rd with Australia at 76.8 years.

▬ **Health Status** - Between 1997 and 2000, there has been no significant change in the percentage of Albertans age 18 to 64 years who rate their health as "very good" or "excellent". The percentage of Albertans over 65 years who rate their health as "good", "very good" or "excellent" has exceeded the target two years in a row.

▬ **Well-Being of Children** - In 1997, 91% of Alberta children lived in families with incomes above the Market Basket Measure low income threshold (preliminary data only - actual data to be released in Fall 2002).

▬ **Educational Attainment** - In 2000, 89.7% of Albertans aged 25-34 reported completing high school, and 56.1% reported completing post-secondary education, up from 87.5% and 55.4% the previous year.

▬ **Literacy and Numeracy Levels** - In 2000, the percentage of Alberta students writing the test who achieved the acceptable standard in Grade 9 language arts was 90%, continuing to surpass provincial expectations. In mathematics, while results have improved, only 74% of students achieved the acceptable standard.

▬ **Family Income Distribution** - In 1998, the percentage of families with incomes less than $20,000 (in current dollars) has continually decreased since 1995. Data for 1999 was unavailable at time of publication.

New **Economic Status of Albertans** – In 1997, 92% of Albertans had incomes above the Market Basket Measure low income threshold (preliminary data only - actual data to be released in Fall 2002).

OPPORTUNITIES FOR IMPROVEMENT

- **Access to Health Services** - In 2000, 29% of Albertans rated their ease of access to health services as "a bit difficult" and 7% rated their access as "very difficult".
- **Educational Attainment** - Although Alberta maintained its ranking of 3rd for high school completion among the provinces, Alberta ranked 5th in post-secondary completion.
- **Literacy and Numeracy Levels** - The percentage of students achieving the acceptable standard for mathematics remains below expectations.

goal 1 Albertans will be healthy

core measures LIFE EXPECTANCY AT BIRTH
HEALTH STATUS

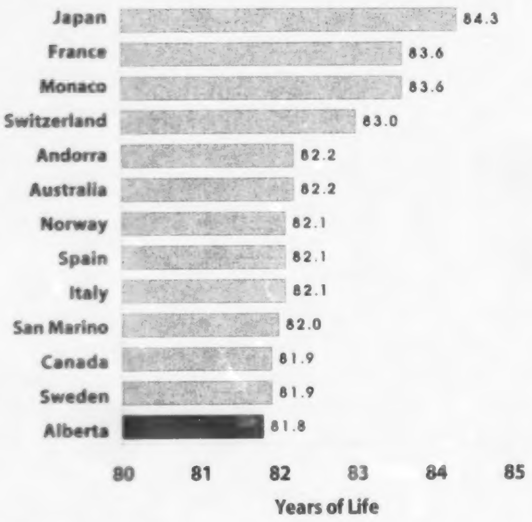
LIFE EXPECTANCY AT BIRTH

DESCRIPTION Female and male life expectancy.

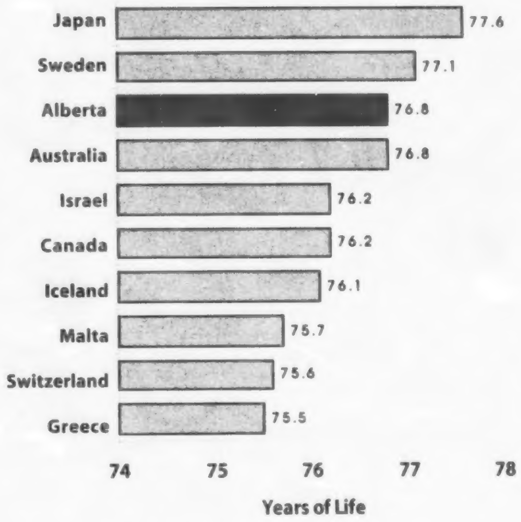
TARGET Maintain or improve current life expectancy at birth and be among the top 10 countries in the world.

RESULTS In 1999, life expectancy for Alberta females ranked 13th in the world whereas Alberta males ranked equally with Australia (3rd highest). In 2000, the life expectancy of Alberta females was 82 years and for males, it was 77.1 years based on preliminary estimates (see supplemental information).

FEMALE LIFE EXPECTANCY (1999)



MALE LIFE EXPECTANCY (1999)



Source: 1999 data: Alberta Health & Wellness; World Health Organization, The World Health Report 2000.

DISCUSSION *Life Expectancy at Birth* is an estimate of the number of years that a person born in that year will live, based upon current mortality statistics. Life expectancy is a universally recognized indicator of the health of a population.

Long life expectancy is related to access to health care, a healthy diet, and protection from the effects of environmental, workplace or other hazards that would shorten lives (see also **Air Quality**, **Water Quality** and **Workplace Climate** measures). International

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

comparisons have shown that life expectancy is also related to national wealth and economic development, the quality of the health care system and individual socio-economic status.

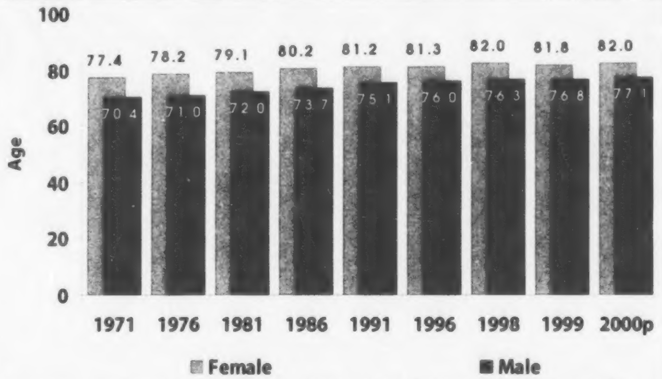
In 1999, the life expectancy for females was 81.8 years compared to 82 years for 1998. Based on preliminary estimates for 2000, years of life for females will increase to 82 years which again ranks Alberta among the top 10 countries in the world.

Life expectancy is strongly affected by infant mortality and the four major causes of death: heart disease, cancer, respiratory disease and injuries (see supplemental information). Reducing mortality rates from these factors will increase overall life expectancy for all Albertans.

SUPPLEMENTAL INFORMATION

Life Expectancy: Alberta Females and Males

This chart shows the trend in life expectancy over time. In general, life expectancy has increased by about one year every five years.

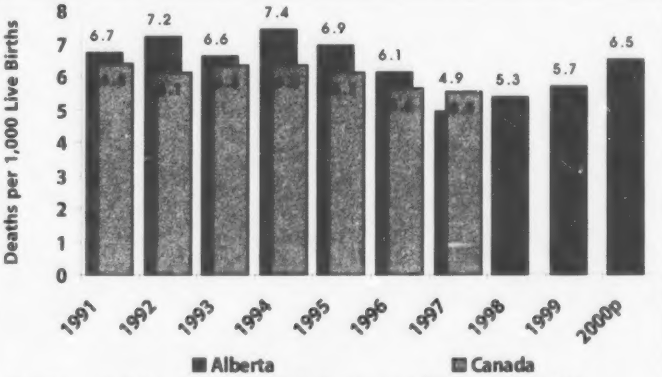


Source: Statistics Canada, Cat. No. 82-001, 82-003, 91-209 and 84-210; 1999 data and 2000 estimates: Alberta Health & Wellness.

p = preliminary

Infant Mortality
(Per 1,000 Live Births)

In Alberta, the rate of deaths for infants has increased in recent years.



Source: Statistics Canada Health Indicators and Alberta Vital Statistics.

p = preliminary

goal **1** **Albertans will be healthy**

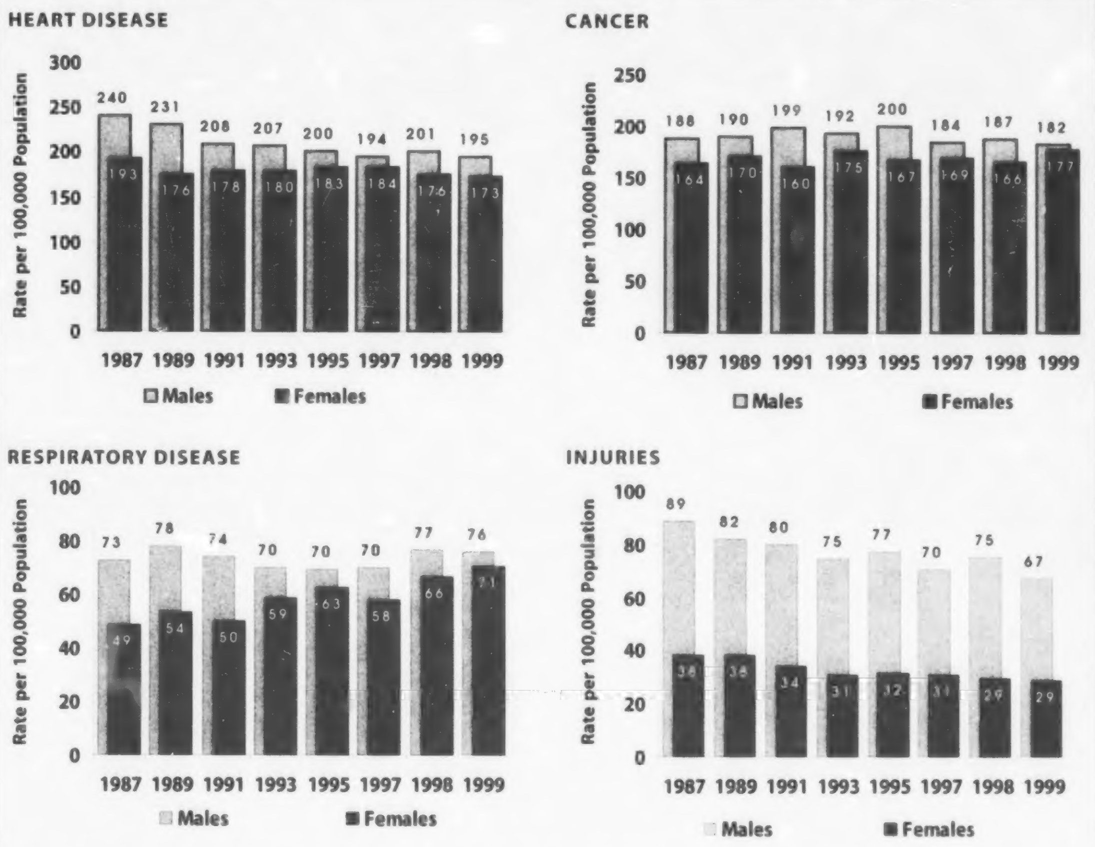
core measures **LIFE EXPECTANCY AT BIRTH**
HEALTH STATUS

SUPPLEMENTAL INFORMATION

Major Causes of Death in Alberta
(Standardized Mortality Rates per 100,000 Population)

The four major causes of death in Alberta are heart disease, cancer, respiratory disease and injuries.

Over the past 12 years, the rate of deaths from heart disease and from injuries has declined for both sexes. Over the same period, the rate of deaths from respiratory disease has increased considerably for women.



Source: Alberta Health and Wellness, derived from Alberta Vital Statistics death files. Population = mid year Alberta Health Registrations.

Note: Mortality rates are now standardized to the 1996 Canada population. These are done separately for males and females so rates differ slightly from those reported in previous years.

goal 1 Albertans will be healthy

core measures

LIFE EXPECTANCY AT BIRTH
HEALTH STATUS

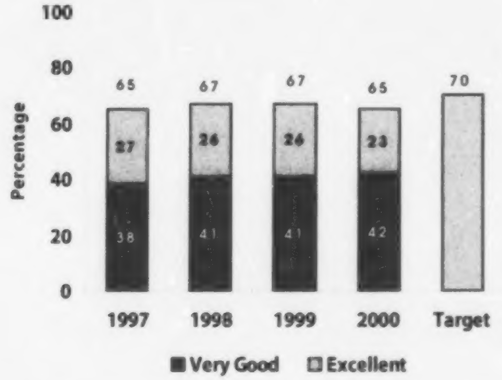
HEALTH STATUS

DESCRIPTION Self-reported status by Albertans over 18.

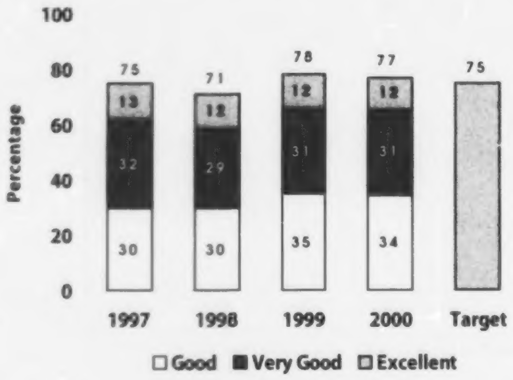
TARGET 70% of Albertans aged 18-64 rate their health as very good or excellent, and 75% of Albertans aged 65 and over rate their health as good or better.

RESULTS Over the past four years, there has been essentially no change in the percentage of Albertans age 18-64 years rating their health as "very good" or "excellent". The percentage of Albertans over 65 years who rate their health as "good", "very good" or "excellent" has exceeded the target two years in a row.

ALBERTANS SELF-REPORTED HEALTH STATUS AS "VERY GOOD" OR "EXCELLENT"
(18-64 YEARS)



ALBERTANS SELF-REPORTED HEALTH STATUS AS "GOOD", "VERY GOOD" OR "EXCELLENT"
(65 YEARS AND OVER)



Source: Annual Alberta Health and Wellness Survey (1997, 1998, 1999, 2000).
Note: Data for 2001 was unavailable at time of publication.

DISCUSSION Self-reported health status is a good indicator of the health and well-being of Albertans and is becoming accepted across Canada as a means of reporting on population health. This measure reports the degree to which Albertans feel healthy compared to others their own age. How people rate their own health is affected by a variety of factors including chronic disease, disability, temporary illness and mental health.

We want to have the highest percentage of residents reporting very good or excellent health status compared with other provinces (see next page). In 1998-99, Alberta ranked second in the percentage of residents reporting excellent or very good health.

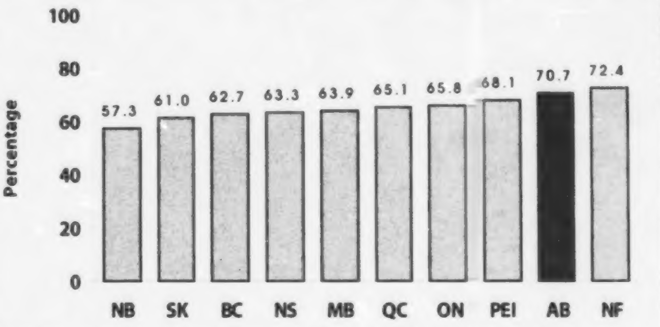
goal **1** **Albertans will be healthy**

core measures LIFE EXPECTANCY AT BIRTH
HEALTH STATUS

SUPPLEMENTAL INFORMATION

Excellent or Very Good Health Status by Province

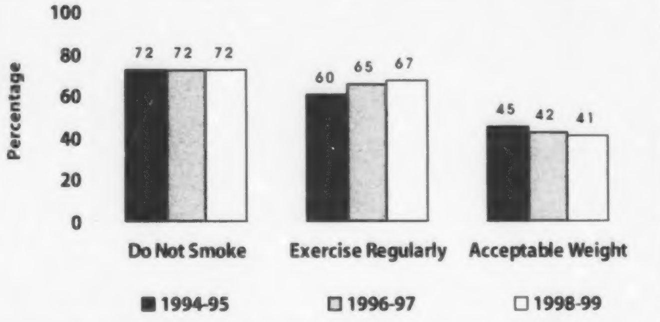
In a national survey, Albertans ranked second in the percentage of respondents who reported their health status as being excellent or very good in 1998-99 compared to people in other provinces.



Source: Statistics Canada, National Population Health Survey 1998-99.
Note: Respondents are 12 years of age and over.

Percentage of Albertans Participating in Healthy Behaviour

Healthy lifestyles contribute to longevity and improved quality of life. This chart shows the percentage of Albertans who reported participating in healthy behaviour.

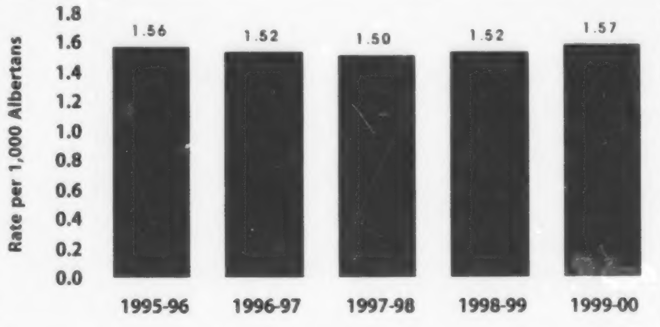


Source: National Population Health Survey (1994-95, 1996-97, 1998-99).
Note: Respondents are 12 years of age and over.

Physicians Per 1,000 Population

The number of general practitioners, specialists and laboratory specialists has not changed significantly since 1995.

According to 1999 preliminary data from the Canadian Institute for Health Information, Alberta ranked seventh in the number of physicians amongst provinces. The top three provinces were Quebec, Nova Scotia and British Columbia.



Source: Alberta Health Care Insurance Plan.
Note: Year-end population registry (March 31).

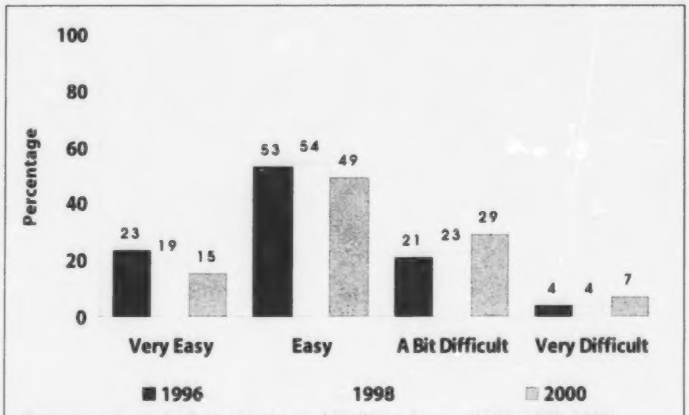
goal **1** Albertans will be healthy

core measures LIFE EXPECTANCY AT BIRTH
HEALTH STATUS

SUPPLEMENTAL INFORMATION

Accessibility of Health Care Services

This chart shows Albertans' ratings of their ease of access to health services. In 2000, 64% of Albertans surveyed rated their access to health services as "easy" or "very easy".

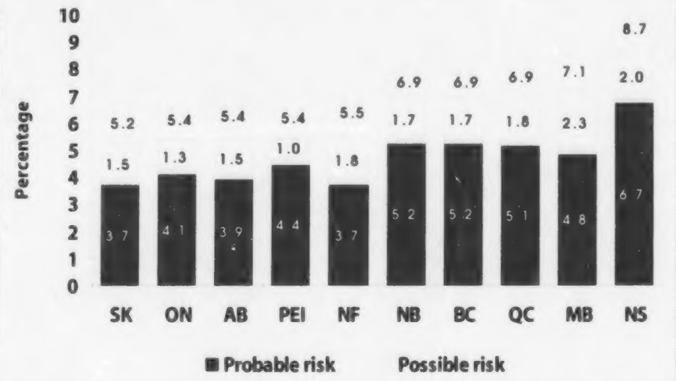


Source: Annual Alberta Health and Wellness Survey (1996, 1998, 2000).
Note: Data for 2001 was unavailable at time of publication.

Risk of Clinical Depression by Province (1998-99)

Mental health is an important component of overall wellness and depression is one of the more common mental health ailments. Even mild depression can be a disabling condition. Some depressed people require hospitalization and are at a higher risk for suicide.

This chart shows the combined total of possible and probable risk for depression among persons 12 years and over, by province. These results indicate that in 1998-99, 5.4% of Albertans may have suffered from depression at some time during the year.



Source: Statistics Canada, National Population Health Survey, 1998-99.

goal 2 Our children will be well cared for, safe, successful at learning and healthy

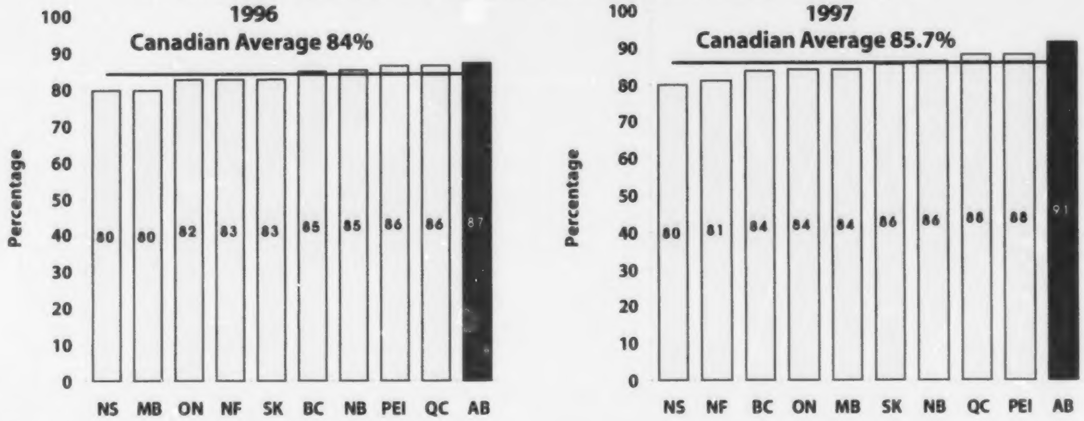
core measure WELL-BEING OF CHILDREN

WELL-BEING OF CHILDREN (FORMERLY ECONOMIC STATUS OF CHILDREN IN 2000-03 GOVERNMENT BUSINESS PLAN)

DESCRIPTION Percentage of Alberta children living in families with incomes above the Market Basket Measure (MBM) low income threshold.

TARGET To be established.

RESULTS 91% of Alberta children live in families with incomes above the MBM low income threshold, bettering the Canadian average. (1997 data is based on 1996 preliminary data. Data for the MBM is being collected and validated by Statistics Canada. It is anticipated that actual MBM data will be released by Statistics Canada in Fall 2002.)



PERCENTAGE OF CHILDREN LIVING ABOVE THE MBM LOW INCOME THRESHOLD

Source: Human Resources Development Canada.
Note: Preliminary data only.

DISCUSSION Low income affects children and their families in negative ways. Children who live in poverty are at greater risk of experiencing problems such as illness, behaviour and learning difficulties, and family violence.

This measure examines the percentage of Alberta children living in families with incomes above the relevant MBM low income threshold.

The MBM of low income is a calculation of income thresholds at which a family has sufficient income to cover the costs of food, clothing, shelter and other expenditures deemed necessary for all Canadians. Geographic differences in costs are reflected. These costs, by family size, are then compared to family income available for consumption. We want to increase the percentage of children living above this low income threshold.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal **2**

Our children will be well cared for, safe, successful at learning and healthy

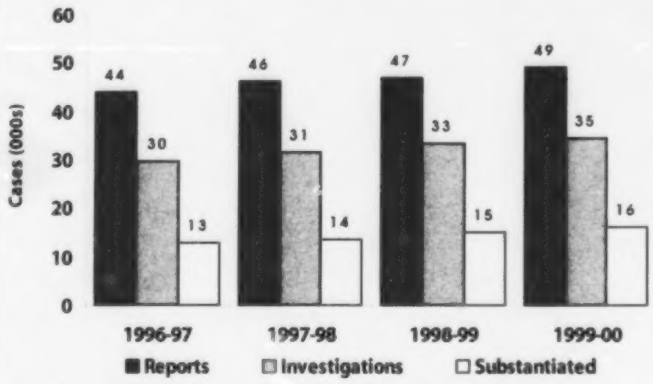
core measure

WELL-BEING OF CHILDREN

SUPPLEMENTAL INFORMATION

Reported Child Abuse and Neglect in Alberta

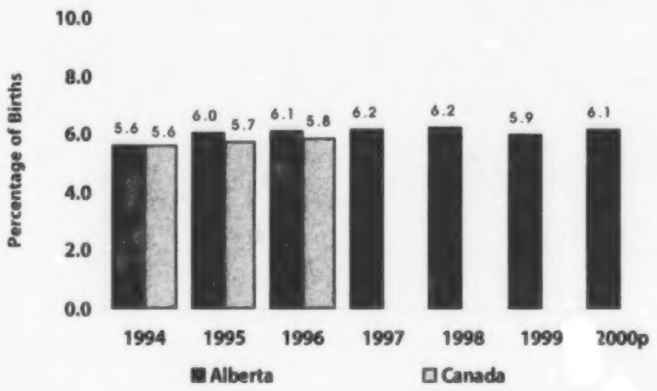
This chart shows the number of reports of child abuse or neglect cases and the number of cases investigated and substantiated during the year. Child abuse occurs when anyone mistreats or neglects a child, resulting in significant emotional or psychological harm, or serious risk of harm, to the child. Children who witness violence or are abused are more likely to be in a violent relationship when they become adults. Children who are abused tend to experience more social problems and do not perform as well at school.



Source: Alberta Children's Services.

Percent of Newborns with Low Birth Weight

Babies who weigh less than 2,500 grams (5.5 pounds) are more likely to have birth-related complications, disabilities, birth defects, and other health problems. They are also more likely to have developmental delays, learning and behavioural problems and long-term health problems.



Source: Alberta Vital Statistics data as reported by Alberta Health and Wellness; Statistics Canada, Catalogue #84-214.

p = preliminary data

goal **2**

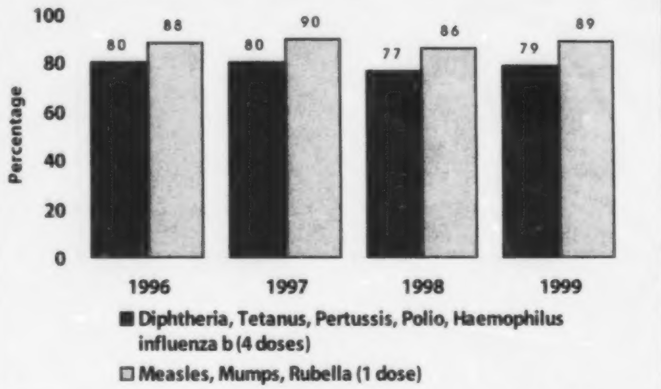
Our children will be well cared for, safe, successful at learning and healthy

core measure **WELL-BEING OF CHILDREN**

SUPPLEMENTAL INFORMATION

Childhood Immunization at Age 2

Immunization against childhood diseases has a significant impact on the incidence of certain communicable diseases. A high rate of immunization for Alberta can help to ensure that the incidence of these diseases remains low.

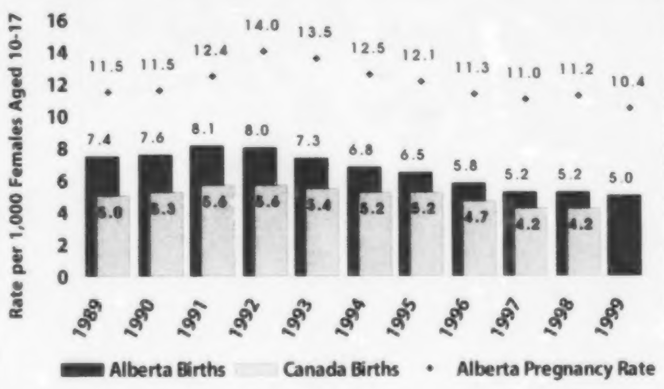


Source: Immunization data - Regional Health Authorities and Health Canada's First Nations and Inuit Health Branch. Population statistics for 2 years of age - Alberta Health and Wellness mid-year registration file.

Alberta Pregnancy and Birth Rate for Females Aged 10 - 17

In addition to the emotional and economic stress experienced, this group has the highest incidence of low birth weight newborns and a high incidence of pre-term delivery.

Age-specific pregnancy rates are the number of events (live births, still births, and therapeutic abortions) per 1,000 females in that age group. Spontaneous abortions are not captured.



Source: Alberta Pregnancy Rate and Alberta Births to Mothers - Vital Statistics, Alberta Government Services, Alberta Health and Wellness; Births to Mothers (Canada) - Statistics Canada.

goal 3 Alberta students will excel

core measure EDUCATIONAL ATTAINMENT

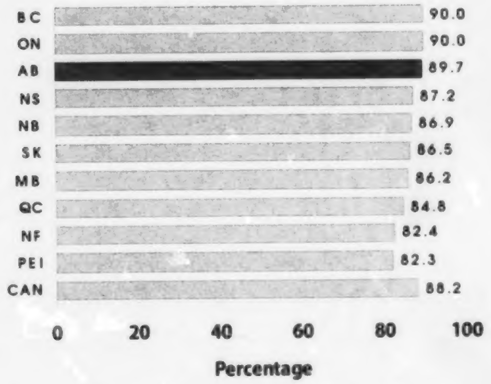
EDUCATIONAL ATTAINMENT

DESCRIPTION High school and post-secondary completion.

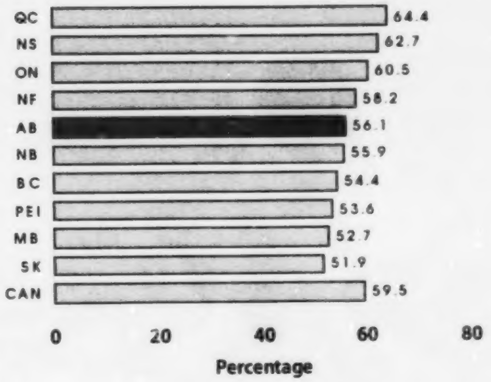
TARGET By 2003, 90% of Albertans aged 25-34 will have completed high school, and 60% will have completed post-secondary education. Maintain or improve inter-provincial ranking.

RESULTS In 2000, 89.7% of Albertans aged 25-34 reported completing high school, and 56.1% reported completing post-secondary education. The 2003 target for high school completion has essentially been attained. Alberta has also maintained its national ranking of 3rd for high school completion and has moved up to 5th from 6th for post-secondary completion.

PERCENTAGE OF POPULATION AGED 25-34 REPORTING HIGH SCHOOL COMPLETION (2000)



PERCENTAGE OF POPULATION AGED 25-34 REPORTING POST-SECONDARY COMPLETION (2000)



Source: Statistics Canada, Labour Force Survey.
Note: Special run for Alberta Learning.

DISCUSSION Completing high school provides young people with the basic knowledge and skills they require to be independent (see also **Literacy and Numeracy Levels**) and completing post-secondary indicates readiness to start a career.

This measure tracks the percentage of the population aged 25-34 who report completing high school and the percentage who report completing post-secondary education, and compares Alberta to other provinces. Those aged 25-34 have been selected as they are the group most likely to reflect the effects of Alberta's education system.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal **3**

Alberta students will excel

core measure

EDUCATIONAL ATTAINMENT

We also want our students to excel in terms of academic achievement. The performance of Alberta students on national and international achievement tests is included as supplemental information.

SUPPLEMENTAL INFORMATION

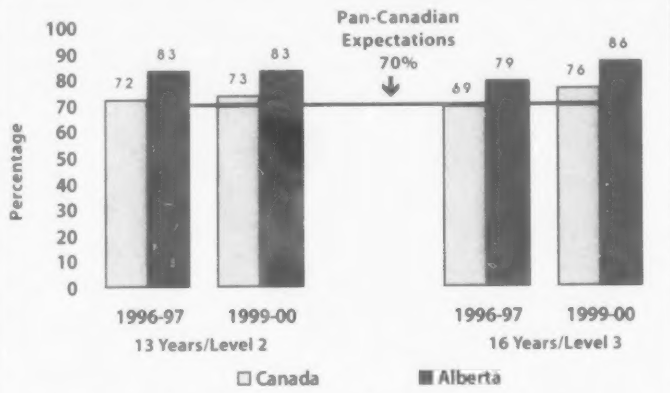
School Achievement Indicators Program (SAIP) 1999-00 Science Assessment

SAIP tests are designed to measure cross-Canada learning expectations. The SAIP tests a representative sample of 13 and 16 year old students in each province and territory in language arts, mathematics and science every three years.

In 1999-00, students were tested in science. This graph indicates the percentage of students meeting or exceeding national expectations.

The SAIP assessments are developed with extensive involvement of classroom teachers and government education personnel from across the country. The test results review process also allows for input from other educators, as well as representatives of business and community groups.

Alberta students in both age groups performed at or above national expectations at all levels. Alberta students in both age groups performed significantly better than Canadian students at all levels.



Source: Council of Ministers of Education, Canada - 1996, 2000.
Note: Results are in relation to five levels of achievement. Level 2 is the standard for age 13 and Level 3 is the standard for age 16.

SUPPLEMENTAL INFORMATION

The Third International Mathematics and Science Study Results (TIMSS)

TIMSS was conducted in 1995 at grades 4, 8 and the last year of high school, and was repeated in 1999 for grade 8 students (TIMSS-R). Representative samples of Grade 8 students from 41 countries participated in 1995, and from 38 countries in 1999.

Alberta students did very well in both science and math. There has been no significant change in Alberta's performance between 1995 and 1999.

Of the five G-8 countries that participated in the 1999 study (Canada, United States, England, Japan and Russia), no country was better than Alberta, and only Japan had results as good as Alberta in science. In math, only Japan was better than Alberta, and only Canada and Russia were as good as Alberta.

TIMSS-R (1999) enabled comparison of results for Alberta Grade 4 students (1995) to results for this same cohort four years later, in Grade 8 (1999). Students from 19 countries wrote the test in both years. In math, Alberta students ranked 7th in both 1995 (Grade 4) and 1999 (Grade 8). Alberta ranked 3rd in 1995 (Grade 4) and 2nd in 1999 (Grade 8) on the science test.

Alberta Results on the Third International Mathematics and Science Study (TIMSS): 1995 and 1999

Results for Grade 8	Number of Countries in Study	Number of Countries Significantly Higher Than Alberta	Number of Countries as Good as Alberta	Number of Countries Significantly Below Alberta
Math: 1995	41	6	15	20
Math: 1999	38	6	11	21
Science: 1995	41	1	6	34
Science: 1999	38	0*	6	32

Sources:

1. *The Third International Mathematics and Science Study TIMSS-Canada Report, Volume 1: Grade 8: Executive Summary (1996);* David F. Robitaille, Alan R. Taylor & Graham Orpwood, University of British Columbia.
2. *The Third International Mathematics and Science Study TIMSS-Canada Report Volume 2: Grade 4: Executive Summary (1997);* David F. Robitaille, Alan R. Taylor & Graham Orpwood, University of British Columbia.
3. *The Third International Mathematics and Science Study 1999-TIMSS-Canada Report, Volume 5: New Findings for a New Century: Executive Summary (2000);* David F. Robitaille & Alan R. Taylor, University of British Columbia.

* In 1999, one country's results in science was slightly higher than Alberta's, but the difference was not significant.

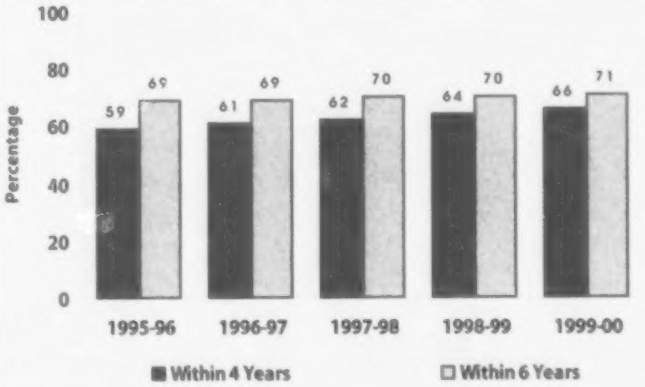
SUPPLEMENTAL INFORMATION

Percentage of Students Completing High School Within 4 and 6 Years of Entering Grade 9

This chart shows the percentage of students entering Grade 9 who complete high school within four years and within six years (students who have not received a high school diploma, but have been accepted into credit programs at an Alberta post-secondary institution directly from high school are included in the percentage completing).

High school completion within six years of entering Grade 9 has increased from 69% in 1995-96 to 71% in 1999-00. The increase is significant, given that improved labour force opportunities in Alberta in recent years may have influenced some students to enter the work force, rather than complete their schooling.

High school completion within four years of entering Grade 9 (the "on-time" completion rate) has increased from 59% in 1995-96 to 66% in 1999-00. Funding changes at the senior high level (from a per student basis to a course completion basis) and restructuring of high school programs may account for some of this increase.



Source: Alberta Learning.
Note: Four-year completion data for 1999-00 is preliminary.

goal 4

Albertans will be independent

core measures LITERACY AND NUMERACY LEVELS
FAMILY INCOME DISTRIBUTION

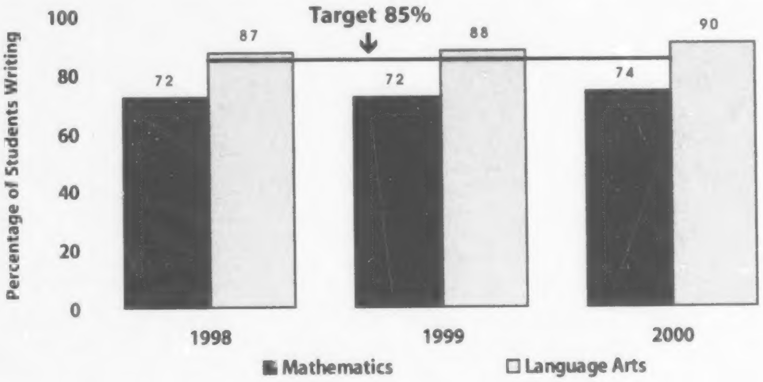
LITERACY AND NUMERACY LEVELS

DESCRIPTION Achieving the acceptable standard on Grade 9 achievement tests for mathematics and language arts.

TARGET 85% of Grade 9 students are expected to achieve the acceptable standard on provincial achievement tests in mathematics and language arts.

RESULTS In 2000, the percentage of Alberta students writing the test who achieved the acceptable standard in Grade 9 language arts was 90%, continuing to surpass provincial expectations. In mathematics, while results have improved, only 74% of students achieved the acceptable standard.

PERCENTAGE OF GRADE 9 STUDENTS ACHIEVING THE ACCEPTABLE STANDARD



Source: Alberta Learning, Provincial Achievement Tests.

DISCUSSION Part of helping Albertans become independent is ensuring that they have the knowledge and skills necessary to participate in a changing economy and work force. An essential component of this is having the necessary literacy and numeracy skills to function in society (see also **Educational Attainment** supplemental information).

We have chosen to use the percentage of Grade 9 students achieving the acceptable standards on provincial achievement tests in mathematics and language arts as proxy measures of literacy and numeracy, as adult literacy surveys are not conducted regularly. Students who achieve the acceptable standard have the necessary competencies to become literate and numerate adults.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal 4

Albertans will be independent

core measures

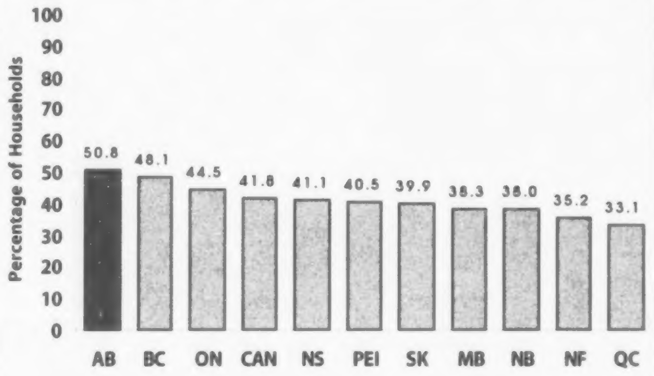
LITERACY AND NUMERACY LEVELS

FAMILY INCOME DISTRIBUTION

SUPPLEMENTAL INFORMATION

Internet Use by Households (1999)

Although internet use does not require computer proficiency, it does indicate a certain level of ability to use computers and access the internet. This chart shows the percentage of households with at least one member using the internet from any location.



Source: Statistics Canada Household Internet Use Survey, 1999.

Note: Data for 2000 was unavailable at time of publication.

goal **4** **Albertans will be independent**

core measures LITERACY AND NUMERACY LEVELS
FAMILY INCOME DISTRIBUTION

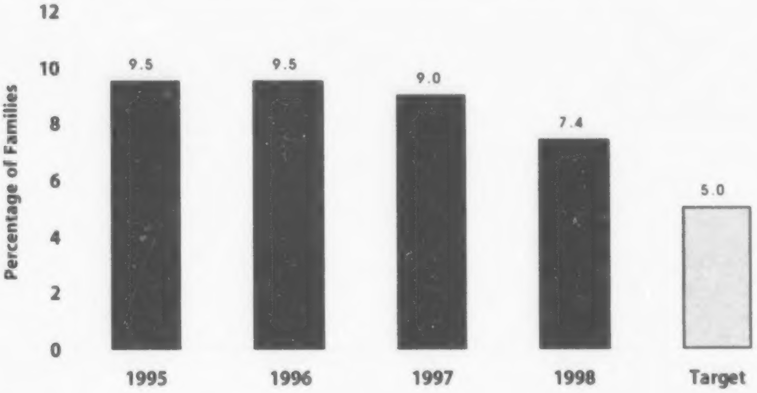
FAMILY INCOME DISTRIBUTION

DESCRIPTION Distribution of income as a measure of the financial well-being of Albertans.

TARGET Reduce the percentage of households with family income under $20,000 to 5% by the year 2007.

RESULTS The percentage of Alberta family households with income less than $20,000 (in current dollars) was 7.4% in 1998.

PERCENTAGE OF ALBERTA FAMILIES WITH INCOME UNDER $20,000



Source: Special run from Statistics Canada.
Note: Data for 1999 was unavailable at time of publication.

DISCUSSION The average income of families and the distribution of income among various income groups is an indicator of the relative financial well-being of Albertans. This measure provides information on the incidence of low income among Alberta families and the income distribution of families.

Economic family income is defined as income from all sources received by all family members 15 years of age and over, sharing a common dwelling unit and related by blood, marriage (including common-law relationships) or adoptions.

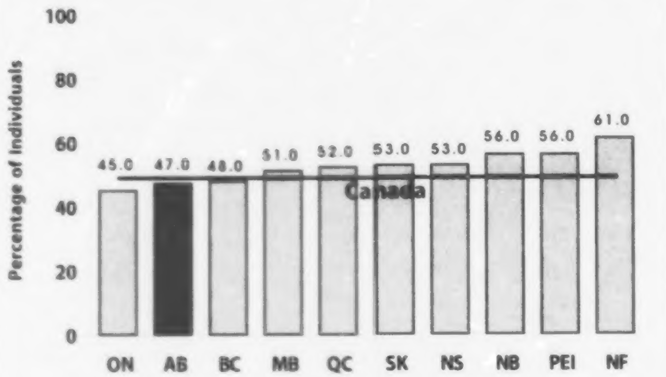
goal 4 Albertans will be independent

core measures LITERACY AND NUMERACY LEVELS
FAMILY INCOME DISTRIBUTION

SUPPLEMENTAL INFORMATION

Percentage of Individuals with Income Below $20,000 (1999)

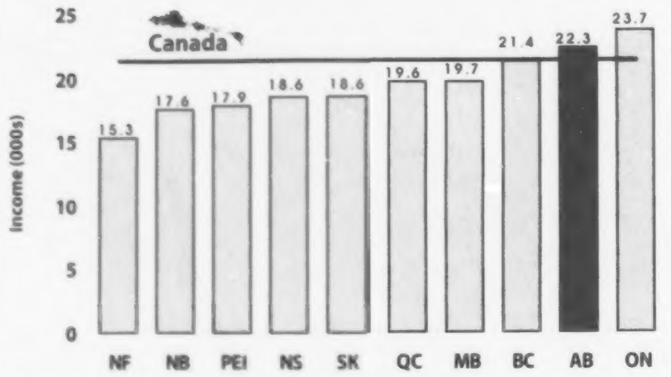
Alberta ranked second for the lowest percentage of individuals with income below $20,000 when compared to the other provinces. 49% of Canadian individuals had incomes below $20,000.



Source: Small Area and Administrative Data from Statistics Canada.
Note: Processed from administrative files from Canada Customs and Revenue Agency.

Median Individual Income by Province (1999)

Median individual incomes in Ontario, British Columbia and Alberta were higher than the national level. The Canadian median individual income in 1999 was $21,300. Individual median income is defined as the middle point, having half the individuals earning incomes above and half below.



Source: Small Area and Administrative Data from Statistics Canada.
Note: Processed from administrative files from Canada Customs and Revenue Agency.

goal 4 **Albertans will be independent**

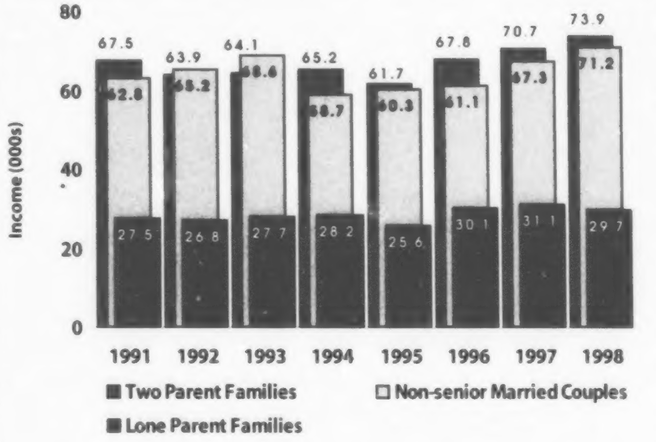
core measures

LITERACY AND NUMERACY LEVELS
FAMILY INCOME DISTRIBUTION

SUPPLEMENTAL INFORMATION

Average Annual Family Income by Family Type (Constant 1998 Dollars)

Since 1991, family incomes have increased 9% for two parent families, 8% for lone parent families and 13% for non-senior married couples. In 1998, two parent families represented 26.6% of the population, non-senior married couples 15% and lone parent families 5%.



Source: Statistics Canada, Catalogue #75-202 - Income in Canada. Historical data prior to 1996 are drawn from the Survey of Consumer Finance (SCF) and data since 1996 are taken from Survey of Labour and Income Dynamics (SLID).

Note: Data for 1999 was unavailable at time of publication.

goal 4 Albertans will be independent

NEW MEASURE FOR NEXT YEAR

Economic Status of Albertans

This will appear as the new core measure in next year's report for this goal.

WHY A NEW MEASURE

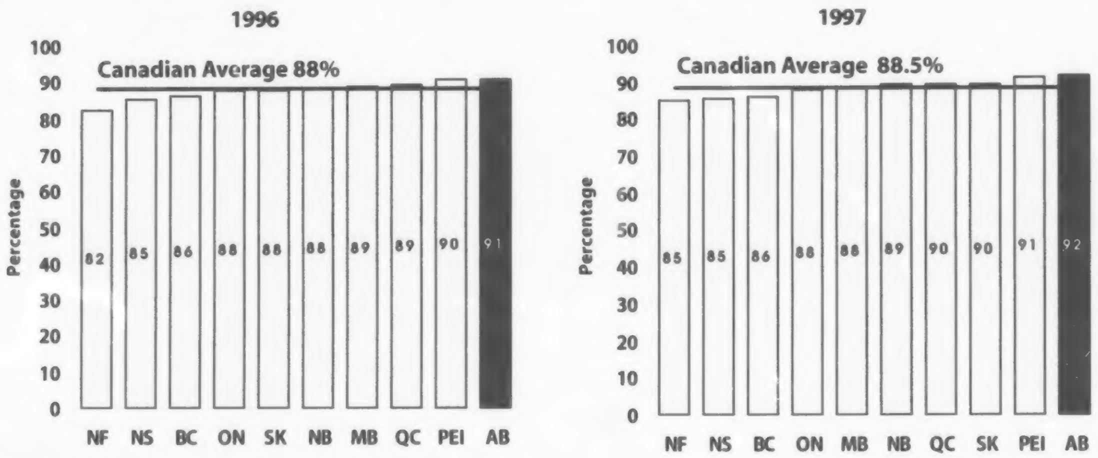
Goal 4 establishes the government's commitment to the financial well-being of Albertans. We would like all Albertans to be financially independent. The **Economic Status of Albertans** measured by the recently developed Market Basket Measure (MBM) low-income threshold, is considered a better core measure of independence than **Family Income Distribution**.

THE NEW MEASURE

This new measure is included in the *2001-04 Government Business Plan.* To measure progress, we will use the MBM to report on the percentage of Albertans of *all* ages living above the MBM low income threshold. Over time, this measure will show the proportion of Albertans who are able to meet their basic needs.

Data for the MBM is being collected and validated by Statistics Canada. It is anticipated that actual MBM data will be released by Statistics Canada in Fall 2002.

PEOPLE LIVING ABOVE THE MARKET BASKET MEASURE LOW INCOME THRESHOLD



Source: Human Resources Development Canada.
Note: Preliminary data only.

goal 5 Albertans unable to provide for their basic needs will receive help

core measure ECONOMIC STATUS OF ALBERTANS

New

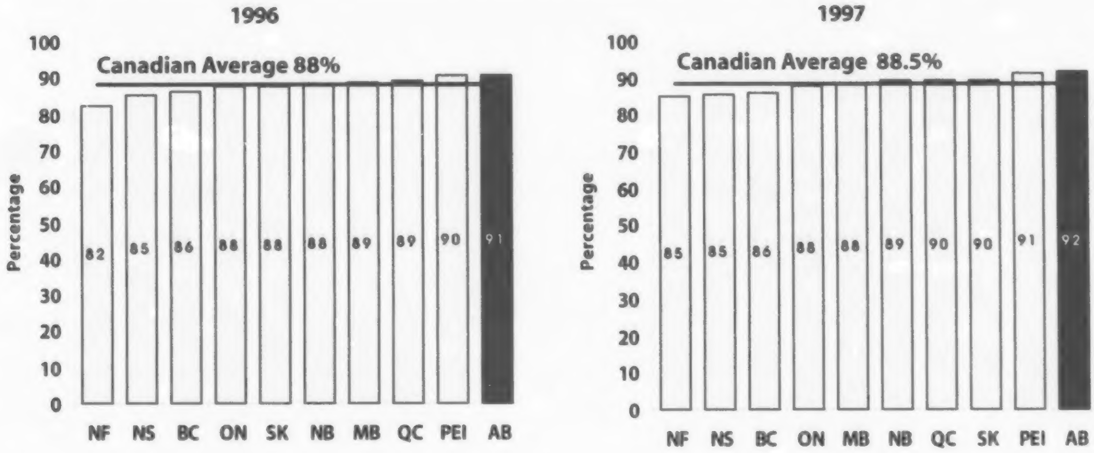
ECONOMIC STATUS OF ALBERTANS

DESCRIPTION Increase the percentage of people in Alberta living above the Market Basket Measure (MBM) low income threshold.

TARGET To be determined.

RESULTS 92% of Albertans are living with incomes above the MBM low income threshold, bettering the Canadian average (1997 data is based on preliminary 1996 survey. Data for the MBM is being collected and validated by Statistics Canada. It is anticipated that actual MBM data will be released by Statistics Canada in Fall 2002).

PEOPLE LIVING ABOVE THE MARKET BASKET MEASURE LOW INCOME THRESHOLD



Source: Human Resources Development Canada.
Note: Preliminary data only.

DISCUSSION Alberta is committed to providing a safety net so that Albertans unable to provide for their basic needs will receive help.

We would like all Albertans to be independent; however, some individuals require financial assistance to meet their basic needs such as food, clothing and shelter. Albertans potentially in need include lower income seniors, persons with disabilities, the homeless and single parent families.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal 5

Albertans unable to provide for their basic needs will receive help

core measure

ECONOMIC STATUS OF ALBERTANS

Some of the factors that can lead to Albertans being unable to provide for their own, and their families basic needs, at least for a short period of time are:

- age (old/young)
- illness or injury
- disability
- family circumstances (i.e., family breakdown)
- lack of education or skills
- addiction
- lack of employment or underemployment

The Alberta government offers a number of programs to ensure all Albertans have access to the basic necessities. These include:

Alberta Child Health Benefit
Supports for Independence
Alberta Seniors Benefit
Special Needs Assistance for Seniors
Rent Supplement
Childcare Subsidy
Alberta Aids to Daily Living
Alberta Family Employment Tax Credit
Shelters for the Homeless
Assured Income for the Severely Handicapped

core business

Prosperity...

The goals for the ***Prosperity*** core business focus on protecting the quality of life in Alberta through the government's priorities for our economy, work force and work places, infrastructure, value-added industries, export trade, and financial and fiscal position.

Prosperity

Promoting prosperity for Alberta through:

- a dynamic environment for growth in business activity and jobs
- a highly skilled and productive workforce
- access to markets in Canada and internationally for trade and investment
- new ideas, innovation and research
- an open and accountable government that is financially prudent
- an efficient system of roads, highways, utilities and public spaces.

There are eight government goals for the *Prosperity* core business, and twelve performance measures, including a new **Business Innovation** measure. Overall, six measures showed improved performance, three showed no significant change and two had lower performance. The following are the 2000-01 performance highlights for these *Prosperity* measures.

MEANING OF SYMBOLS

⇧ improved performance (5% higher)

▬ no significant change in performance from previous year

↓ declining performance (5% lower)

PERFORMANCE HIGHLIGHTS

⇧ **Gross Domestic Product** - The three-year average annual GDP growth rate increased to 10.0% for 1998 to 2000, which was well beyond our target range of 4 to 6%.

⇧ **Job Growth** - There were 34,900 net new jobs created in 2000. Over the four year period ending December 31, 2000, almost 179,800 new jobs were created, exceeding the target of 155,000.

▬ **Skill Development** - The percentage of employers satisfied with the skills of recent degree or diploma graduates was 86.5% in 1999-00, below the target of 90% (biannual survey - new data next report).

New **Business Innovation** – Alberta business use of the Internet to be reported as a new core measure next year.

▬ **Value-added Industries** - Manufacturing accounted for 11.1% of Alberta's GDP in 1999, not satisfying the target to increase (based on preliminary estimates).

▬ **Infrastructure Capacity** – In 2000, 89.6% of rural sections of the National Highway System were at Level of Service B or better, below the target of 95%. With the Alliance Pipeline coming on stream in 2000, there was sufficient export gas pipeline capacity to meet demand, satisfying the target. Non-government sponsored research represented 26.5% of Alberta universities' total sponsored research in 1999-00, down from 1998-99, not satisfying the target to increase.

↓ **Cost of Government** - In 1999-00, per capita expenditure by the Alberta government was 97% of the average per capita expenditure of the nine other provinces, up from 1998-99 (88%) and slightly off the target to remain 5% below the nine-province average.

⇧ **Taxation Load** - Albertans still enjoy the lowest overall tax burden on persons among the provinces (51.6% of the provincial average, better than the 61.1% of 1999-00), satisfying the target.

⇧ **Provincial Credit Rating** - Alberta's blended credit rating as of March 31, 2001 was triple A, the highest possible rating and highest among the provinces, achieving our target and up from March 31, 2000.

⇧ **Accumulated Debt** - As of March 31, 2001 Alberta's accumulated debt less $2.1 billion cash set aside for future debt repayment was $8.2 billion, exceeding the target for 2004-05; net assets were $9.0 billion.

↓ **Workplace Climate** – Alberta's ranking among the provinces dropped to fourth lowest for person-days lost due to work stoppages in 2000 (below the target to be among the three lowest), and to third lowest for the rate of person-days lost due to injury and disease in 1999 (still satisfying the target).

⇧ **Export Trade** - The value of Alberta's commodity exports to international markets rose by 59.9% to $55.3 billion in 2000, well beyond the target of $39.6 billion.

OPPORTUNITIES FOR IMPROVEMENT

- **Workplace Climate** - Improve Alberta's ranking among the provinces for person-days lost due to work stoppages.
- **Cost of Government** - Restrict provincial government expenditure to 95% of the nine-province average.

goal 6 Alberta will have a prosperous economy

core measures GROSS DOMESTIC PRODUCT
JOB GROWTH

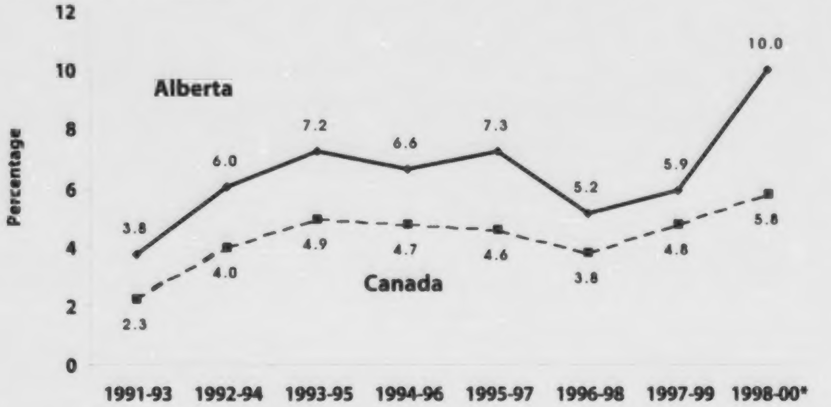
GROSS DOMESTIC PRODUCT (GDP)

DESCRIPTION Long term growth rate of the Alberta economy as measured by the three-year average growth rate of current dollar GDP.

TARGET Three-year average annual GDP growth rate of 4 to 6%.

RESULTS Alberta's three-year average annual GDP growth rate was 10.0% for 1998 to 2000 (based on forecast), which was well beyond our target range.

ALBERTA'S LONG TERM GDP GROWTH RATE (THREE-YEAR AVERAGE ANNUAL GROWTH RATE OF CURRENT DOLLAR GDP)



Source: Alberta Economic Accounts 1999, Table 1A; Statistics Canada, National Income Accounts, Cat. No. 13-001.
* Based on Alberta Finance forecast for 2000, Budget 2001.

DISCUSSION GDP is a direct measure of the strength of Alberta's economy. It is a measure of the value of all goods and services produced in Alberta. Tracking this measure over time will show changes in the strength and resilience of Alberta's economy.

As we are interested in the longer-term growth trend for the Alberta economy, we have used a three-year average for GDP growth to smooth out some of the cyclical variations common to our economy.

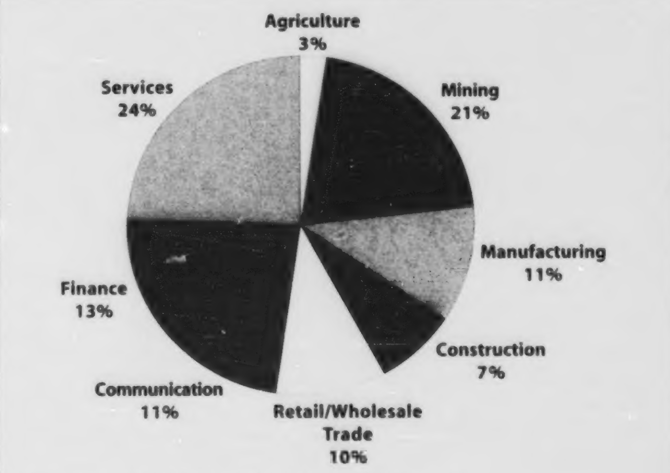
In 2000, current dollar GDP increased by an estimated 22% (to $140.8 billion), leading to a surge in Alberta's long-term growth rate. Sharply rising energy prices resulted in a strong rebound in the energy sector, contributing substantially to the province's growth rate. Increased livestock receipts and manufacturing shipments were also factors.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

SUPPLEMENTAL INFORMATION

Alberta's GDP by Industry (1999)

This chart shows the percentage contribution to provincial (current dollar) GDP by various industry sectors in 1999.

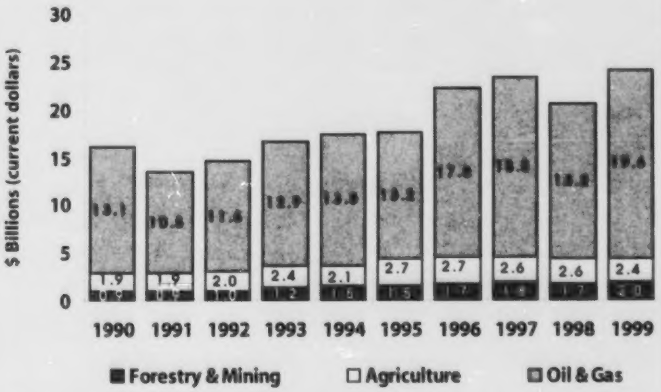


Source: Alberta Economic Accounts 1999, Table 10.

Alberta's Resource Sector Contribution to Provincial GDP

This chart shows the current dollar value contribution to provincial GDP by Alberta's resource sector including; forestry and mining, agriculture, and oil and gas.

Growth in the value of the resource sector has been on an upward trend driven primarily by the oil and gas industry.



Source: Alberta Economic Accounts 1999, Table 10.

goal **6** Alberta will have a prosperous economy

core measures **GROSS DOMESTIC PRODUCT**
JOB GROWTH

SUPPLEMENTAL INFORMATION

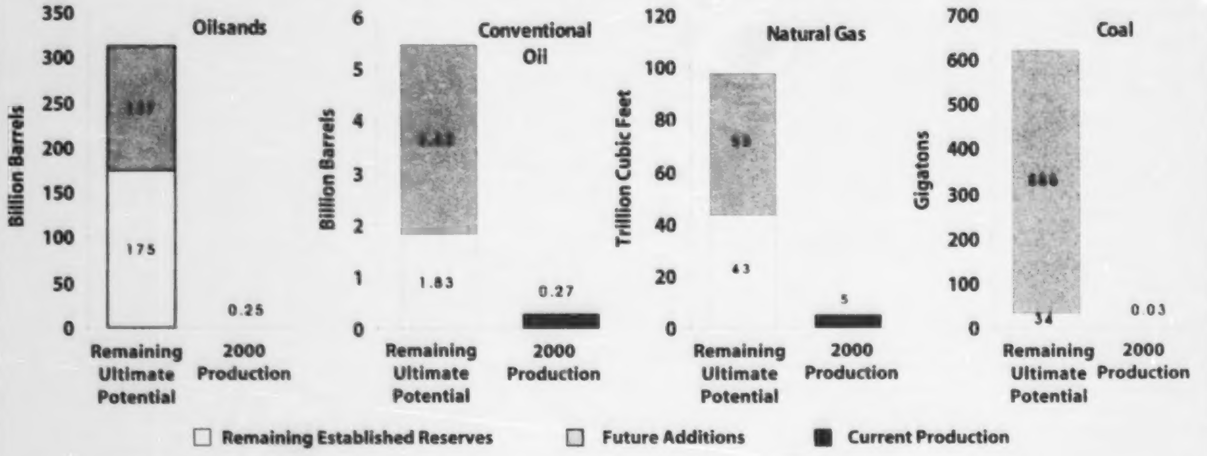
Non-Renewable Energy Resource Reserves

Reported estimates of Alberta's energy resource reserves are made based on current and anticipated technological and economic conditions. These estimates change over time as additional reserves are proven.

Remaining ultimate potential reserves include remaining established reserves (currently discovered and recoverable reserves not yet produced), plus future additions (estimates of potentially recoverable reserves not yet discovered).

It is important to recognize that the term "remaining established reserves" refers to the quantity of energy resources that has been discovered (but not yet produced) and estimated, and is not a measure of the quantity of non-renewable energy reserves that Alberta has left.

This chart shows the remaining ultimate potential reserves for Alberta's oilsands, conventional oil, natural gas and coal resources relative to current production.



Source: The Alberta Energy and Utilities Board.

goal 6 Alberta will have a prosperous economy

core measures

GROSS DOMESTIC PRODUCT
JOB GROWTH

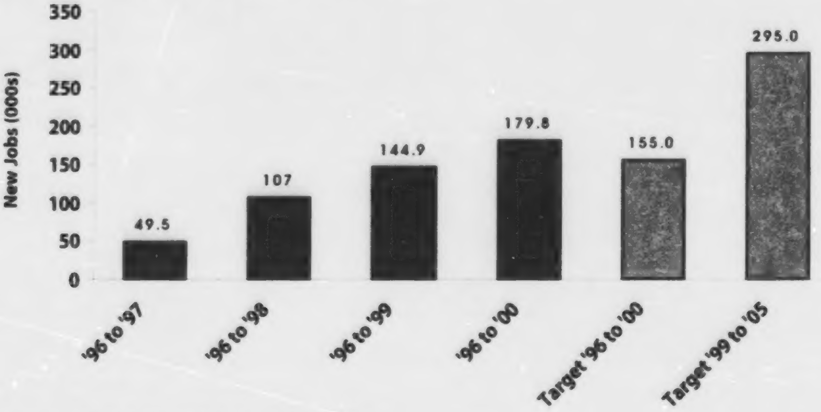
JOB GROWTH

DESCRIPTION Net number of jobs created in Alberta on an annual average basis.

TARGET 155,000 new jobs from December 1996 to December 2000, followed by a target of 295,000 in the 6 years ending December 2005.

RESULTS 34,900 new jobs were created in 2000, and 179,800 new jobs were created over the four-year period ending December 2000. These results exceed our target for the period by 24,800 jobs.

ALBERTA'S CUMULATIVE NET EMPLOYMENT GROWTH
(THOUSANDS OF NEW JOBS SINCE 1996)



Source: Statistics Canada, Labour Force Survey.

DISCUSSION This measure shows the net number of jobs created in Alberta's economy on an annual average basis and is an indicator of the strength of the economy. A strong economy increases employment opportunities for Albertans, enabling them to benefit from the province's economic growth.

Alberta continued to enjoy strong job growth in 2000 and had the second lowest unemployment rate among provinces, behind Manitoba. Alberta's unemployment rate was 5.0%, down from 5.7% in 1999, and well below the national rate of 6.8%. By December 2000, the unemployment rate was 4.8% (seasonally adjusted), the lowest among the provinces. Employment increased by 2.2% in 2000, led by job growth in retail trade, construction, accommodation and food services, professional, scientific and technical services, transportation and warehousing, and manufacturing.

goal 6 Alberta will have a prosperous economy

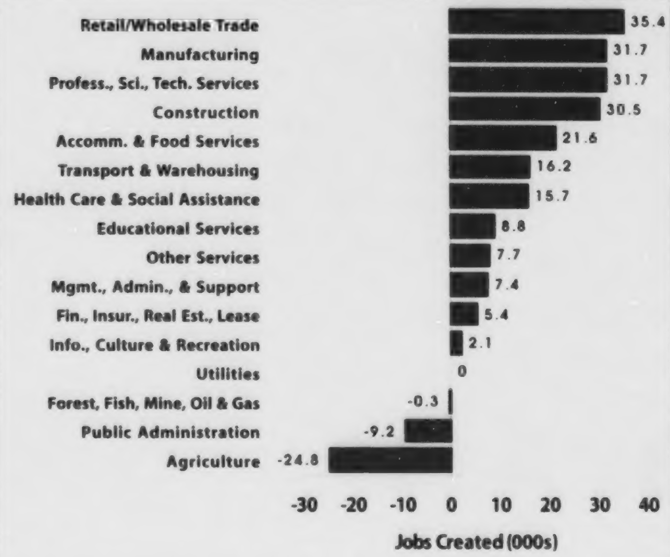
core measures

GROSS DOMESTIC PRODUCT
JOB GROWTH

SUPPLEMENTAL INFORMATION

Alberta's Cumulative Net Employment Growth by Industry (1996-2000)

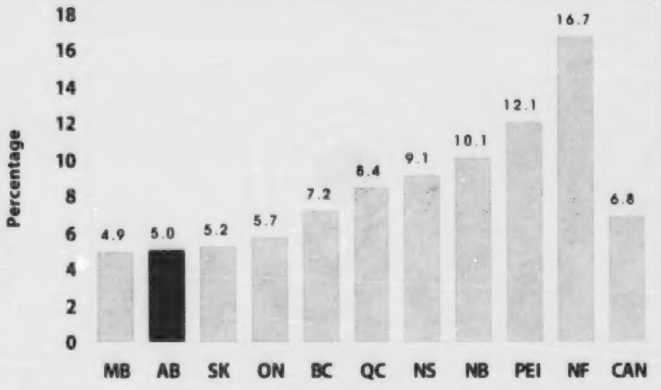
This chart shows the change in the net number of jobs created by various industry sectors over the four years since December 1996. Total employment increased in most industries over the period, reflecting the diversification of Alberta's economy.



Source: Statistics Canada, Labour Force Survey.
Note: Numbers may not add to total employment due to rounding of industry numbers.

Provincial Unemployment Rates (2000)

This chart shows the unemployment rates for the provinces and Canada for the January to December 2000 period.



Source: Statistics Canada, Labour Force Survey.

goal 7 Our workforce will be skilled and productive

core measure SKILL DEVELOPMENT

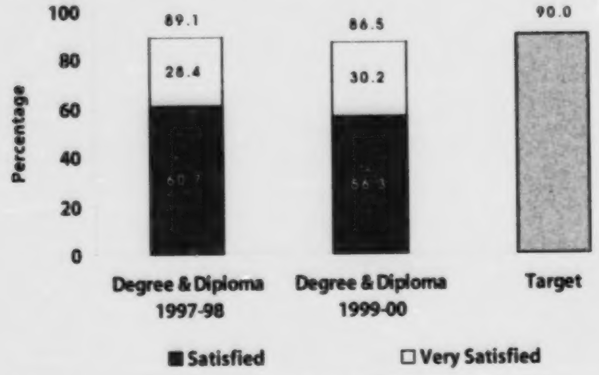
SKILL DEVELOPMENT

DESCRIPTION Employer satisfaction with recent post-secondary graduates' skills.

TARGET 90% of employers satisfied with recent post-secondary graduates' skill levels.

RESULTS The percentage of employers who were either "satisfied" or "very satisfied" with recent degree or diploma graduates' skills was 86.5% in 1999-00.

EMPLOYER SATISFACTION WITH RECENT POST-SECONDARY GRADUATES' SKILLS
(SATISFIED OR VERY SATISFIED)



Source: Alberta Learning Employer Satisfaction Survey.

DISCUSSION Alberta businesses and industries need to remain competitive in global markets. This requires a highly-skilled and productive work force and an effective match between skill development and skill demand. The productivity of Alberta's labour force should increase if there is an appropriate match between job requirements and workforce skill levels.

This measure provides a direct indicator of whether workforce skill levels match job requirements. The results for this measure are from a biannual Alberta Learning survey which asks employers to rank their satisfaction as to whether the recent post-secondary graduates they have hired have the technical skills and knowledge needed for their jobs.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

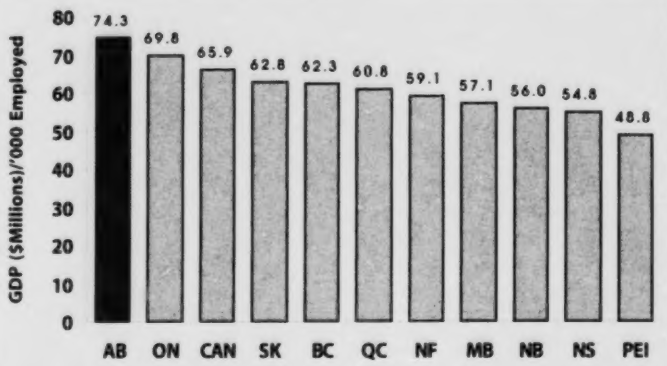
goal 7 Our workforce will be skilled and productive

core measure **SKILL DEVELOPMENT**

SUPPLEMENTAL INFORMATION

Provincial Labour Productivity (1999)

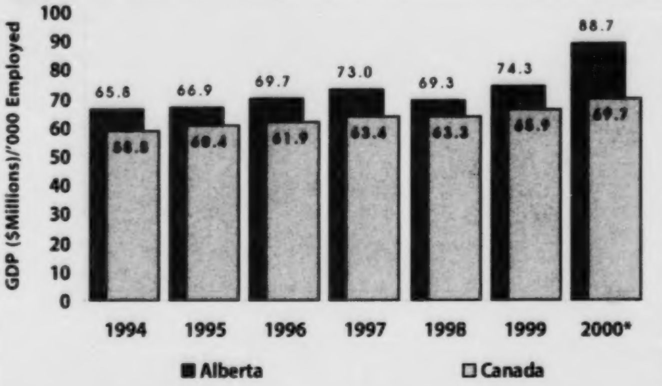
Alberta's labour productivity remained the highest among the provinces in 1999. Productivity is measured by GDP (millions of current dollars) per thousand employed.



Source: Statistics Canada, Cat. No. 13-213; Statistics Canada, Historical Labour Force Survey, Cat. No. 71-201; Alberta Economic Accounts 1999, Table 1A.

Alberta and Canada Labour Productivity

This chart compares labour productivity in Canada and Alberta.



Source: Statistics Canada Labour Force Survey, Cat. No. 71-201; Alberta Economic Accounts 1999, Table 1A.

* Based on Alberta Finance Estimate for 2000, Budget 2001.

goal 8

Alberta businesses will be increasingly innovative

core measure BUSINESS INNOVATION

BUSINESS INNOVATION

New

The **Business Innovation** core measure has been newly developed to track the extent to which Alberta businesses display innovative behaviour. The results for this measure are not available until next year. Below is a preview of the proposed **Business Innovation** core measure that will be presented in next year's report.

DESCRIPTION Alberta business use of the Internet to sell goods and services.

TARGET To be determined.

RESULTS Results will be tracked using data from the *Statistics Canada Information and Communications Technologies and Electronic Commerce Survey* (available next year).

DISCUSSION Innovation is a process through which economic value is extracted from knowledge. Research can provide Alberta businesses with the knowledge to develop new or improved products and services. Businesses can also increase efficiency through new processes and technology.

To remain competitive on a long term basis, Alberta businesses need to cultivate innovative practices. Adopting new technology and developing products and services can enhance Alberta's competitiveness and provide access to new markets.

The degree to which Alberta firms utilize new technology indicates their desire for innovation and future competitiveness. This measure tracks the proportion of businesses that use the Internet to buy and sell goods and services, and the economic activity attributable to those businesses.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

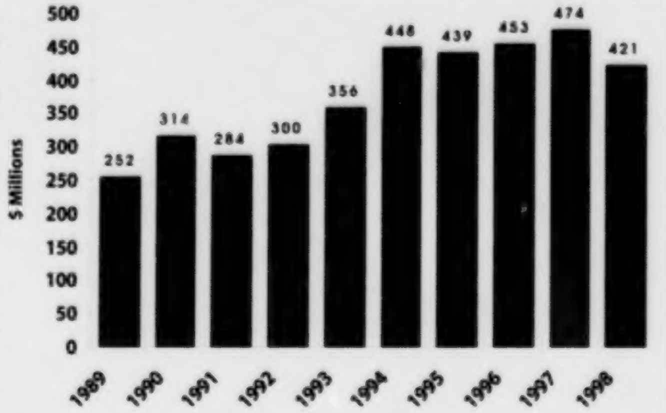
goal 8 Alberta businesses will be increasingly innovative

core measure **BUSINESS INNOVATION**

SUPPLEMENTAL INFORMATION

Value of Alberta Business Research and Development Expenditure

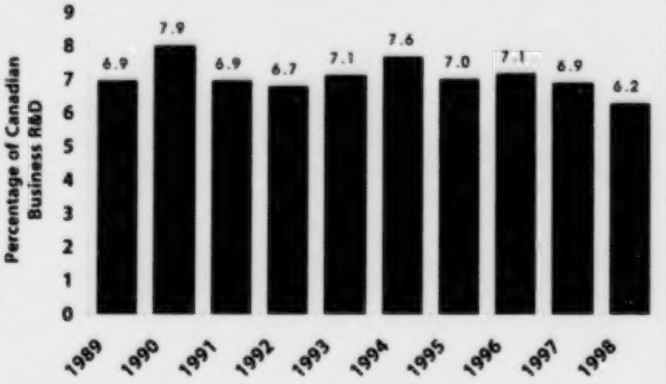
This chart shows the total value of business R&D in Alberta over the ten years up to 1998.



Source: Statistics Canada Estimates of Canadian Research and Development Expenditures (GERD), Canada, 1989 to 2000e, and by Province 1989 to 1998.

Alberta Business Research and Development Expenditure (relative to Canadian business R&D)

This chart shows Alberta's share of Canadian business research and development spending over the ten years up to 1998.



Source: Statistics Canada, Estimates of Canadian Research and Development Expenditures (GERD), Canada, 1989 to 2000e, and by Province 1989 to 1998.

goal 9

Alberta's value-added industries will lead economic growth

core measure VALUE-ADDED INDUSTRIES

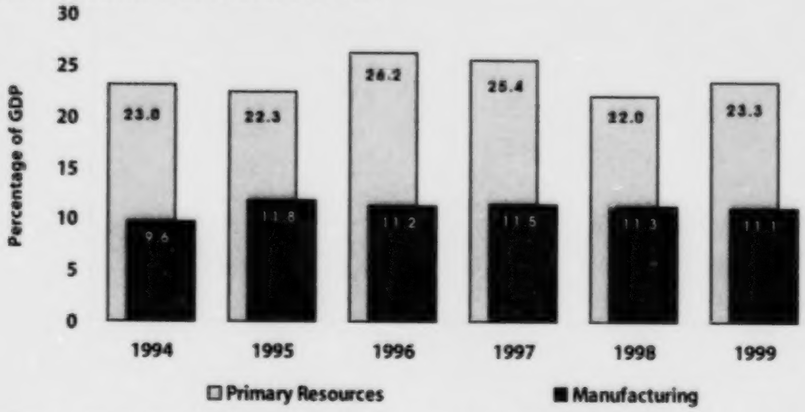
VALUE-ADDED INDUSTRIES

DESCRIPTION Percentage of Alberta GDP contributed by the manufacturing sector as a proxy for the province's value-added industries.

TARGET Alberta's value-added industries will account for an increasing percentage of provincial GDP.

RESULTS Alberta's manufacturing sector accounted for 11.1% of provincial GDP in 1999.

ALBERTA MANUFACTURING AND PRIMARY RESOURCES INDUSTRIES
(AS A PERCENTAGE OF PROVINCIAL GDP)*



Source: Alberta Economic Accounts 1999, Table 10 (historical data revised).
* Based on estimated data.

DISCUSSION Alberta's economy has historically been resource based and resources still account for over 20% of provincial GDP. To enhance Alberta's global competitiveness and enable more stable long-term economic growth, we would like to increase the level of value-added economic activity. Value-added industries include resource processing, manufacturing of goods, and the provision of various services.

This measure tracks the percentage of provincial GDP (at factor cost) contributed by the manufacturing sector, as a proxy for Alberta's value-added industries. Primary resource industries are included for comparison to the value-added sector. The scope of the measure will be expanded in next year's report to include knowledge-intensive service industries.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

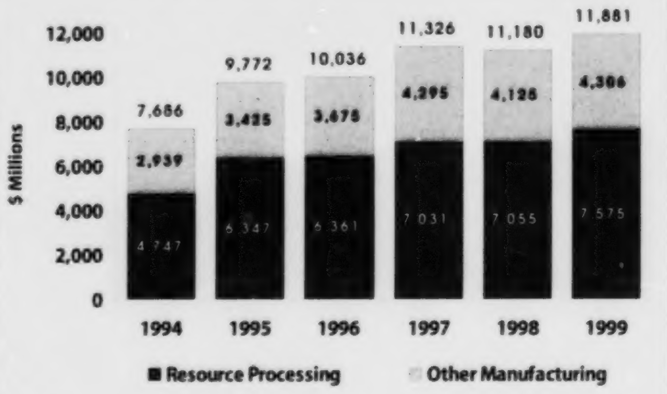
goal 9 Alberta's value-added industries will lead economic growth

core measure **VALUE-ADDED INDUSTRIES**

SUPPLEMENTAL INFORMATION

Value of Resource Processing and Other Manufacturing

This chart shows the amount of Alberta's GDP generated by resource processing and other manufacturing industries.



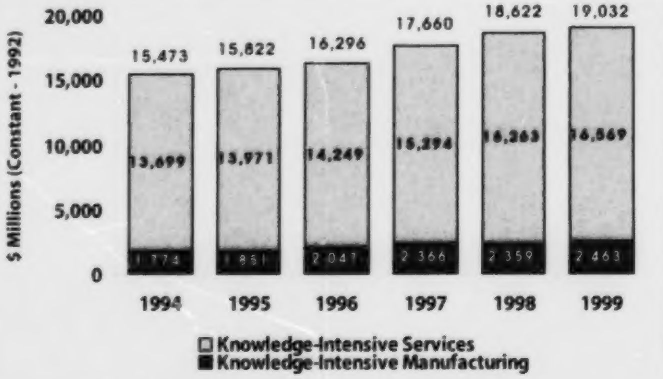
Source: Alberta Economic Accounts 1999, Table 10 (historical data revised). See Value Added core measure in Appendix I.

Value of Knowledge-Intensive Manufacturing and Services

This chart shows the value of Alberta's knowledge-intensive manufacturing and service industries in constant (1992) dollars. Knowledge-intensive industries are defined as those employing a high percentage of knowledge workers, or involving advanced technologies.

Knowledge-intensive manufacturing includes: electrical and electronic products; aircraft and aircraft parts; chemical and chemical products (including pharmaceuticals), and scientific and professional equipment.

Knowledge-intensive services include: telecommunications broadcasting; financial services; business services; educational services; health and social services, and membership organizations.



Source: Alberta Economic Accounts 1999, Table 10 (historical data revised). See Value Added core measure in Appendix I.

goal 10 Alberta will have effective and efficient infrastructure

core measure INFRASTRUCTURE CAPACITY

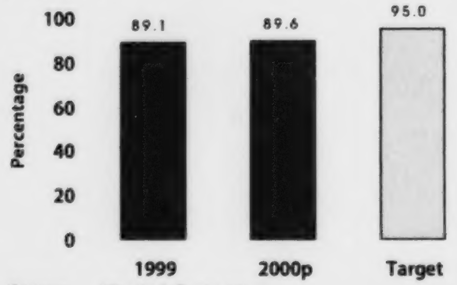
INFRASTRUCTURE CAPACITY

DESCRIPTION Sufficiency of Alberta's infrastructure system as measured by the Level of Service of Alberta's rural National Highway System, the utilization rate of our export gas pipelines and the level of non-government sponsored research at Alberta's universities.

TARGET 95% of rural sections of the National Highway System at Level of Service B or better, export gas pipeline capacity will exceed demand, and continue to increase business and non-profit sponsored research.

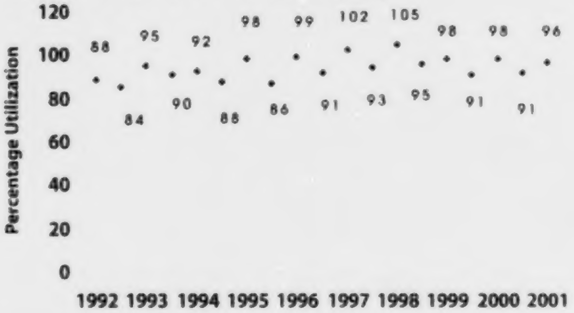
RESULTS In 2000, 89.6% of rural sections of the National Highway System in Alberta were at Level of Service B or better, and there was sufficient export gas pipeline capacity to meet demand. Industry and non-profit sponsored research increased by $6.4 million, and represented 26.5% of Alberta universities' total sponsored research in 1999-00.

RURAL NATIONAL HIGHWAY SYSTEM LEVEL OF SERVICE (% OF SYSTEM AT LEVEL OF SERVICE B OR BETTER)



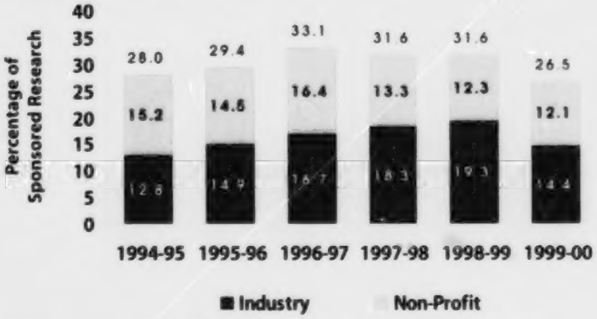
Source: Alberta Infrastructure.
p = preliminary

EXPORT GAS PIPELINE UTILIZATION
(JANUARY 1 AND JULY 1 OF EACH YEAR)



Source: Alberta Energy. Derived from Nova Gas Transmission Ltd and Alliance Pipeline Ltd.

INDUSTRY AND NON-PROFIT SPONSORED RESEARCH AT ALBERTA UNIVERSITIES



Source: University of Alberta, University of Calgary, University of Lethbridge, Athabasca University.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal 10 Alberta will have effective and efficient infrastructure

core measure **INFRASTRUCTURE CAPACITY**

DISCUSSION

Quality infrastructure is regarded as an essential building block to support economic development. **Infrastructure Capacity** is a measure of whether Alberta's existing infrastructure system has sufficient capacity to support current economic activity and to facilitate future growth.

This measure tracks the ability of Alberta's highways to accommodate traffic flow volumes, export gas pipelines to accommodate throughput and our university research system to accommodate current and future research activities.

The Rural National Highway System Level of Service measure tracks the ability of traffic to move freely on Alberta's highways. Level of Service B means that highway users can travel at posted speeds and easily manoeuvre and overtake slower traffic. While increases in traffic volume reduce the level of service, the completion of specific highway improvements such as interchanges, widenings and the twinning of the North-South Trade Corridor, for example, improve service quality.

The Export Gas Pipeline Utilization measure is an indicator of Alberta's access to natural gas markets. The government monitors instances when demand for natural gas throughput exceeds available take-away pipeline capacity, as has occurred in past years. Available capacity increased in late 1998 with expansion of the TransCanada Pipelines and Foothills/Northern Border Pipeline. The Alliance Pipeline project further increased capacity in late 2000, boosting take-away capacity sufficiently to meet demand.

The level of industry and non-profit sponsored research at Alberta universities is an indication of the utilization of our publicly accessible knowledge base for non-government sponsored research. The dollar value of industry and non-profit sponsored research rose by $6.4 million in 1999-00. However, the percentage of total sponsored research contributed by non-government organizations declined due to proportionately larger increases in provincial and federal government contributions (see supplemental information).

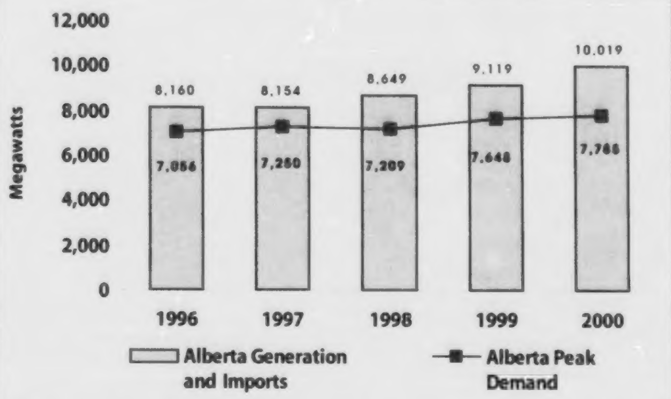
goal 10 Alberta will have effective and efficient infrastructure

core measure **INFRASTRUCTURE CAPACITY**

SUPPLEMENTAL INFORMATION

Alberta's Electrical System Capacity

We currently have 9,069 megawatts in power generation capacity (compared to 8,169 megawatts in 1999) and access to 950 megawatts from other jurisdictions for a total electrical system capacity of 10,019 megawatts. Not all system capacity is continuously available to meet demand. Capacity available to meet demand is currently 9,318 megawatts. Additional power will become available from neighbouring jurisdictions as the interconnection capacity increases. In addition, new supply continues to come on-line, including sources such as co-generation.

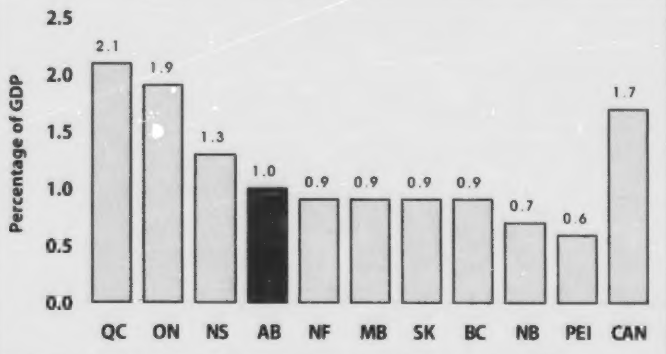


Source: Alberta Resource Development. Derived from Power Pool of Alberta Statistics.

Canadian and Provincial Gross Expenditure on Research and Development (1998)

This chart shows the gross expenditure on R&D for Canada and each province as a percentage of GDP.

Gross expenditure on R&D as a percentage of GDP is the standard international basis for comparison of R&D effort.



Source: Statistics Canada Service Bulletin Science Statistics Vol. 24, No. 06, Table 4.

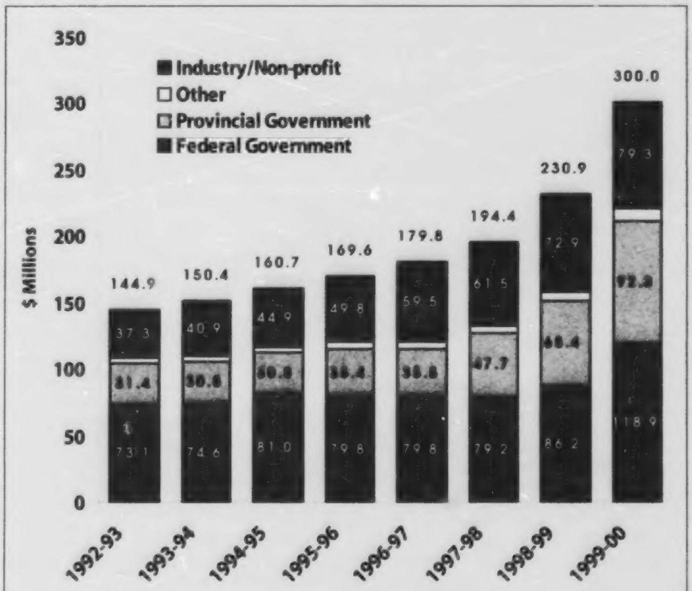
goal 10 Alberta will have effective and efficient infrastructure

core measure **INFRASTRUCTURE CAPACITY**

SUPPLEMENTAL INFORMATION

Sponsored Research at Alberta Universities

This chart provides a breakdown of the value of sponsored research by funding source. Increases in research funding indicate that Alberta's university research system is expanding its capacity to undertake current and future research activities.



Source: University of Alberta, University of Calgary, University of Lethbridge, Athabasca University.

goal 11 Alberta will have a financially stable, open and accountable government

core measures
TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

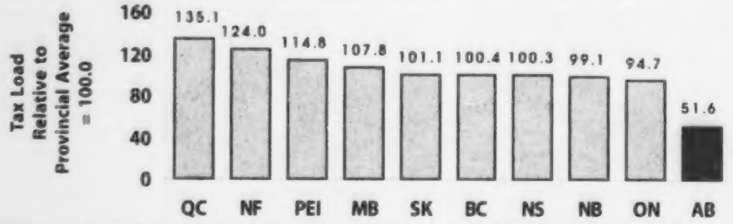
TAXATION LOAD

DESCRIPTION Alberta's provincial taxation load on persons relative to the provincial average.

TARGET Maintain the lowest tax load on persons and the lowest provincial personal income tax rate in Canada.

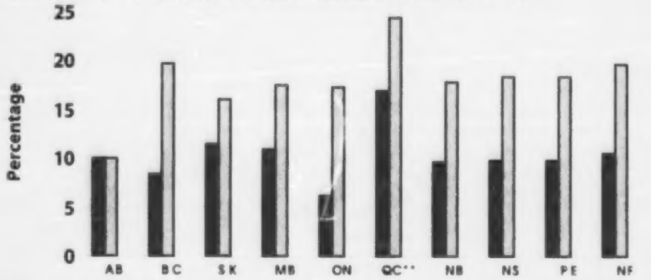
RESULTS In 2000-01, Alberta's provincial tax load on persons was 51.6% of the provincial average (61.1% in 1999-00), the lowest in Canada. As of April 4, 2001 Alberta's single rate tax was well below the other provinces' top marginal tax rates and sixth lowest among the other provinces' lowest statutory rates. The lowest rates do not take into account basic personal and spousal exemptions, of which Alberta has the highest amounts among the provinces.

PROVINCIAL TAX LOAD ON PERSONS (2000-01)



Source: Federal Department of Finance, Third Estimate for 2000-01, February 2001.

PROVINCIAL PERSONAL INCOME TAX RATES AND EXEMPTIONS (2001*)



	AB	BC	SK	MB	ON	QC**	NB	NS	PE	NF
■ Lowest Statutory Tax Rate (%)	10.0	8.4	11.5	10.9	6.2	17.0	9.7	9.8	9.8	10.6
☐ Top Marginal Tax Rate (%)	10.0	19.7	16.0	17.5	17.4	24.5	17.8	18.3	18.4	19.6
Basic Personal Exemption ($)	12,900	8,000	8,000	7,361	7,426	5,900	7,412	7,231	7,412	7,410
Spousal Exemption ($)	12,900	6,850	8,000	6,251	6,306	5,900	6,294	6,140	6,294	6,055

Source: Tax Policy, Office of Budget and Management, Alberta Finance.

* Rates and exemptions, known at April 4, 2001, to be used to administer the 2001 taxation system in each province. Top marginal tax rates include flat taxes and surtaxes where applicable.

** Quebec residents receive an abatement of 16.5% of federal tax in lieu of cash transfers to Quebec for several social programs, reducing the lowest statutory rate to 14.36%, and the top marginal rate to 19.71%.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal

11 Alberta will have a financially stable, open and accountable government

core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

DISCUSSION

A comprehensive indicator of the provincial tax load on Albertans is the provincial tax load expressed as a percentage of the average tax load of all the provinces. Tax load on persons includes income, sales, tobacco, fuel and payroll taxes, and health care premiums. In 2000-01, Alberta had the lowest provincial tax load in Canada (51.6% of the provincial average, down from 61.1% in 1999-00). Alberta's provincial tax payable for 2001 by a family of four with two children is the lowest among the provinces (see supplemental information).

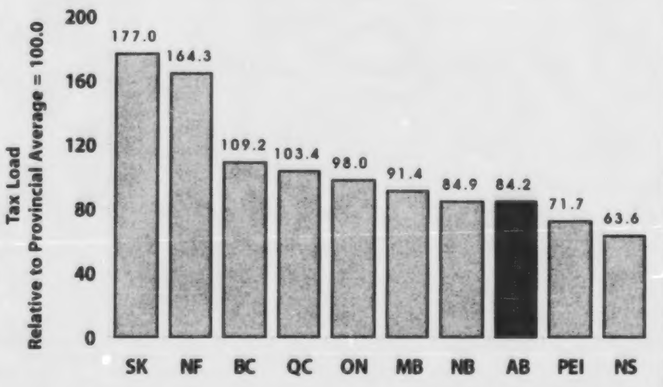
As of January 1, 2001 all the provinces have changed the calculation of provincial personal income tax from a percentage of federal tax to a percentage of taxable income. Each province now sets its own tax rates, bracket thresholds and non-refundable tax credit amounts. As a result, a direct comparison of provincial personal income tax rates alone no longer provides an informative ranking of tax load on persons among the provinces.

SUPPLEMENTAL INFORMATION

Interprovincial Comparison of Tax Load on Business (2000-01)

This chart shows an interprovincial comparison of tax load on business relative to the provincial average. The tax load includes all business-related taxes such as income, capital and insurance corporations taxes.

In 2000-01, Alberta had the third-lowest business tax load in Canada at 84.2% of the provincial average. In 1999-00, Alberta was also third-lowest at 77%.



Source: Federal Department of Finance, Third Estimate for 2000-01, February 2001.

goal 11 Alberta will have a financially stable, open and accountable government

core measures

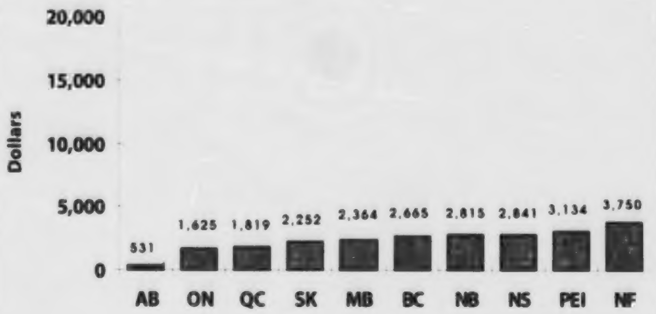
TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

SUPPLEMENTAL INFORMATION

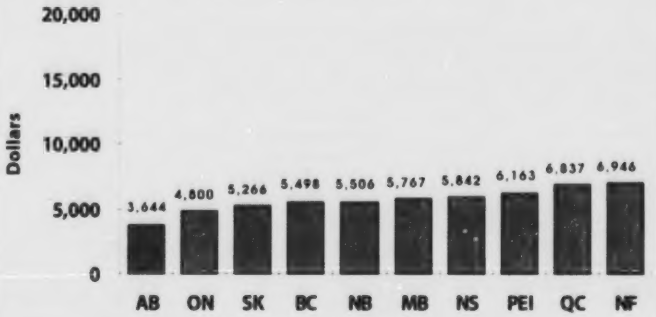
Selected Provincial Tax Payable by a Family of Four (2001)

These charts show an inter-provincial comparison of provincial taxes payable by a family of four with two children earning $30,000, $60,000 and $100,000 per year. Taxes payable include provincial income, sales, payroll, tobacco and fuel taxes, and health care premiums.

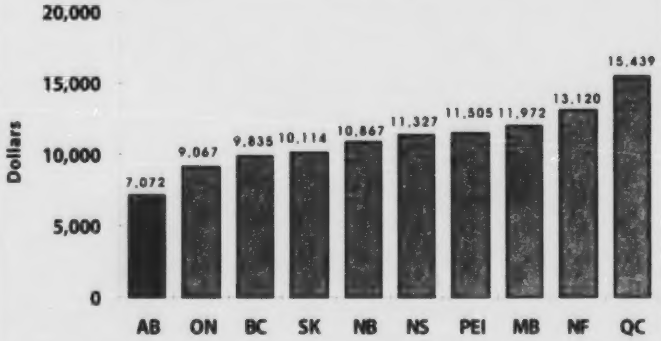
ONE INCOME FAMILY EARNING $30,000



TWO INCOME FAMILY EARNING $60,000



TWO INCOME FAMILY EARNING $100,000



Source: Alberta Finance.
Note: Assumptions for the calculation can be found in Budget 2001, p 128. Calculations are based on tax parameters known at April 4, 2001. Provincial income tax in Quebec is net of the federal abatement.

goal 11 Alberta will have a financially stable, open and accountable government

core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

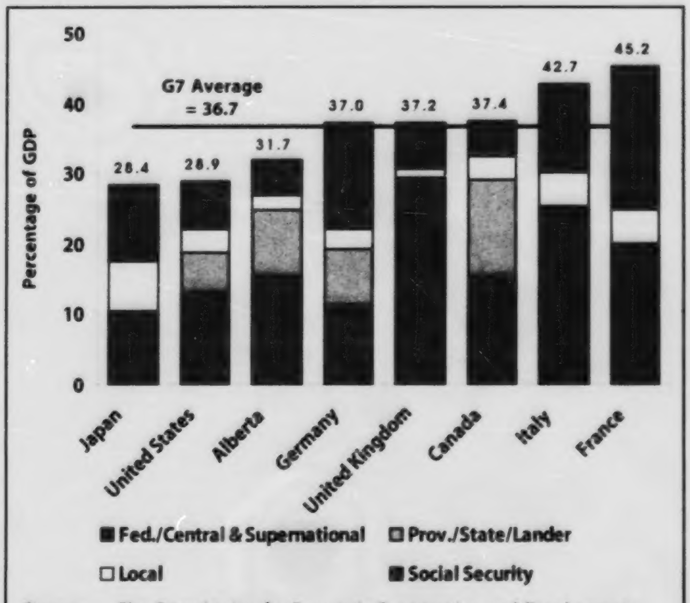
SUPPLEMENTAL INFORMATION

G7 Total Tax Load (1998)

This chart compares Alberta's tax load as a percentage of GDP to the tax loads of the G7 countries.

The tax load in each jurisdiction includes all applicable municipal, provincial/state, federal and spranational level taxes, and social security levies.

Alberta's tax load is five percentage points lower than the G7 average.



Source: The Organization for Economic Co-operation and Development (OECD) Revenue Statistics; Statistics Canada; Alberta Finance.

goal 11 Alberta will have a financially stable, open and accountable government

core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

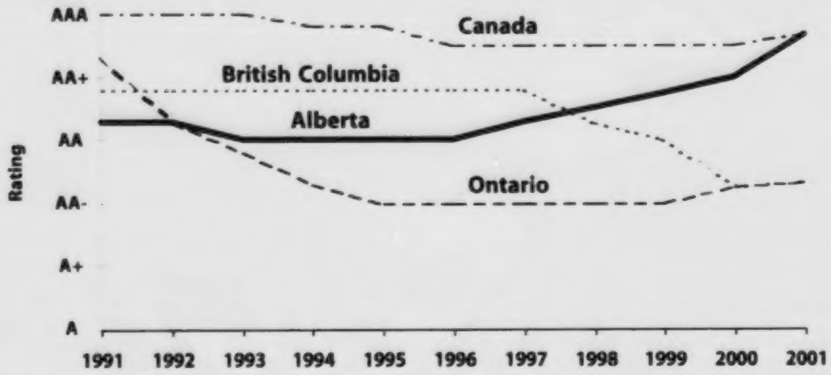
PROVINCIAL CREDIT RATING

DESCRIPTION Alberta's blended credit rating for domestic debt relative to the other provinces and Canada.

TARGET The highest credit rating among the provinces.

RESULTS Alberta's blended credit rating as of March 31, 2001 for domestic debt was triple A, the highest among the provinces.

ALBERTA'S BLENDED CREDIT RATING FOR DOMESTIC DEBT AT FISCAL YEAR END MARCH 31



Source: Alberta Finance.
Note: The blended credit rating is an average of the credit ratings issued by the following credit rating agencies: Standard and Poor's Rating Services, Moody's Investors Service Limited and Dominion Bond Rating Service.

DISCUSSION A credit rating is an independent credit rating agency's assessment of the future ability of an organization to repay its long-term debt, and a method of comparing the quality of different bond issues. Alberta's domestic debt credit rating was upgraded in 2000-01 to triple A (the highest rating) by both Standard and Poor's Rating Services and Moody's Investors Service Limited, two major credit rating agencies. Dominion Bond Rating Service maintained Alberta's rating at AA(high).

Alberta's high triple A blended credit rating reflects the rating agencies' positive assessment of the province's fiscal, economic and political environment. Alberta's top credit rating means that Alberta can borrow money at a lower cost than any other province, reducing the province's debt servicing costs. Although the province cannot have a higher foreign currency debt rating than the sovereign (Canada), its domestic debt rating can be higher. Alberta's upgraded domestic debt credit rating by Moody's Investors Service Limited is higher than the federal government's rating.

goal 11 Alberta will have a financially stable, open and accountable government

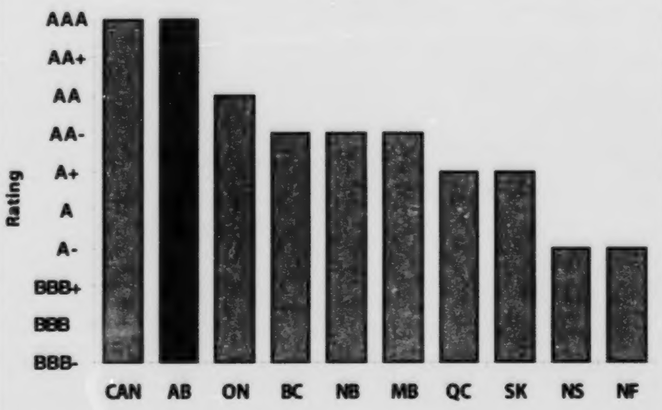
core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

SUPPLEMENTAL INFORMATION

Interprovincial Comparison of Domestic Debt Credit Rating (at March 31, 2001)

The chart compares provincial and federal credit ratings for Canadian dollar denominated debt by Standard and Poor's, a major credit rating agency. Alberta is the only province to have the highest possible credit rating (AAA).



Source: Alberta Finance.
Note: Standard and Poor's Canadian dollar debt ratings as of March 31, 2001. Prince Edward Island was not rated by Standard and Poor's.

goal 11 Alberta will have a financially stable, open and accountable government

core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

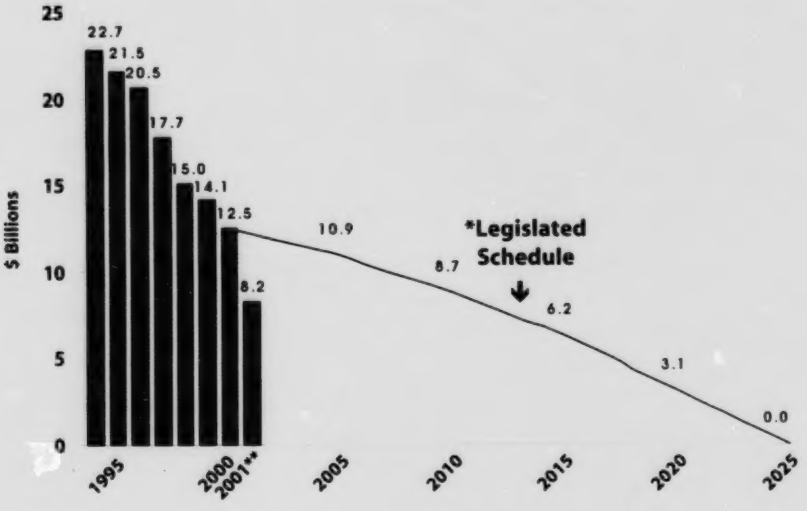
ACCUMULATED DEBT

DESCRIPTION Alberta's accumulated debt, which is the sum of the outstanding consolidated debt of the General Revenue Fund, the debt of the Alberta Social Housing Corporation (net of borrowings from the General Revenue Fund) and the government's liability for school construction.

TARGET Reduce the 1999-00 accumulated debt by 13% by 2004-05 and eliminate it by 2024-25.

RESULTS At March 31, 2001 Alberta's accumulated debt less $2.1 billion cash set aside for future debt repayment was $8.2 billion. Accumulated debt repayment in 2000-01 exceeded the target set out in the *Fiscal Responsibility Act* for the 2005 milestone year.

ALBERTA'S ACCUMULATED DEBT AT FISCAL YEAR END MARCH 31



Source: Government of Alberta Budget 2001.
* Accumulated Debt Elimination Schedule of the *Fiscal Responsibility Act* (5 year milestones).
** Less $2.1 billion cash set aside for future debt repayment.

goal 11 Alberta will have a financially stable, open and accountable government

core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

DISCUSSION

Debt is an indicator of the financial strength of the province and the long-term performance of the government. A high amount of debt burdens future generations of Albertans with debt servicing costs and debt repayment obligations.

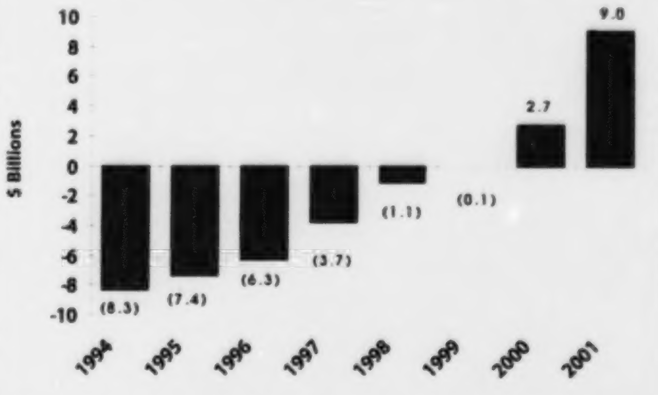
As of March 31, 2001 Alberta's accumulated debt less $2.1 billion cash set aside for future debt repayment was $8.2 billion. In addition, it is expected that high natural gas royalty revenues and other receivables, that accrued in the last quarter of 2000-01 but will not actually be received until the first quarter of 2001-02, will increase the cash set aside for future debt repayment by a further $1.6 billion. This would have the effect of reducing Alberta's accumulated debt less cash set aside for future debt repayment to $6.6 billion.

The *Fiscal Responsibility Act* sets out the government's plan to repay the $12.5 billion of accumulated debt remaining as of March 31, 2000 over a maximum of 25 years. The legislation includes five-year milestones for repayment of the accumulated debt. The target for 2000-01 was significantly exceeded, shortening the debt repayment period by at least nine years (2015-16).

SUPPLEMENTAL INFORMATION

Alberta's Net Assets (Net Debt) (at fiscal year end March 31)

The province's net asset (net debt) position is the difference between its financial assets and total liabilities, excluding pension obligations. The province's legislated plan was to eliminate net debt by 2009-10 (*Balanced Budget and Debt Retirement Act*). Alberta's net debt was eliminated in the 1999-00 fiscal year.



Source: Government of Alberta Budget 2001; Consolidated Financial Statements of the Province of Alberta for the year ended March 31, 2001.

goal **11** Alberta will have a financially stable, open and accountable government

core measures

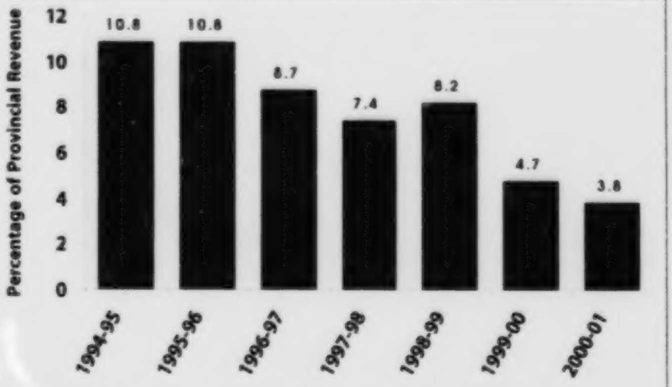
TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

SUPPLEMENTAL INFORMATION

Canadian Institute of Chartered Accountants' Indicators of Government Financial Condition

Alberta Debt Servicing Costs

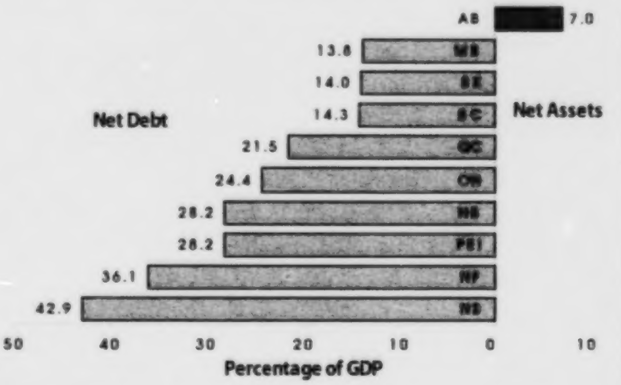
This chart shows Alberta's debt servicing costs as a percentage of provincial revenue.



Source: Government of Alberta Budget 2001; Consolidated Financial Statements of the Province of Alberta for the year ended March 31, 2001.

Provinces' Net Debt (Net Assets) (at March 31, 2001)

This chart shows each province's net debt as a percentage of its GDP. Alberta is the only province in a net asset position at 7.0% of GDP.



Source: Standard and Poor's (GDP); Provinces' Public Accounts, Budgets and Quarterly Reports where available.

Note: Figures are Alberta Finance projections based on the latest available provincial data.

goal **11**

Alberta will have a financially stable, open and accountable government

core measures

TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

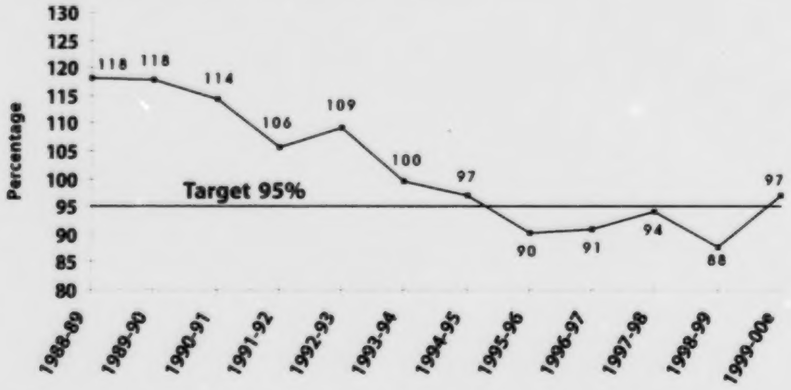
COST OF GOVERNMENT

DESCRIPTION Alberta government expenditures per capita as a percentage of the nine other provinces.

TARGET Remain 5% below the average of the nine other provinces.

RESULTS In 1999-00, Alberta Government per capita expenditure increased to 97% of the average per capita expenditure of the nine other provinces, slightly off the target to remain 5% below the nine-province average.

ALBERTA GOVERNMENT EXPENDITURE PER CAPITA
(AS A PERCENTAGE OF THE NINE OTHER PROVINCES)



Source: Statistics Canada (Financial Management Statistics); Alberta Finance Statistics.
Note: Historical data revised.
e = estimate

DISCUSSION The level of government expenditures is an indicator of the fiscal responsibility of the province. This measure compares the Alberta Government's per capita expenditure with the average of the nine other provinces.

In 1999-00, Alberta was 3% below the nine-province average, down from the previous year and slightly off the target of 5%. However, Alberta's provincial government expenditure as a percentage of GDP was the lowest among the provinces (see supplemental information).

Alberta has the second lowest number of provincial public sector employees per capita among the provinces, next to Ontario. The province's health and social services institutions, and school boards employ the largest proportions of provincial public sector employees (see supplemental information).

goal 11 Alberta will have a financially stable, open and accountable government

core measures

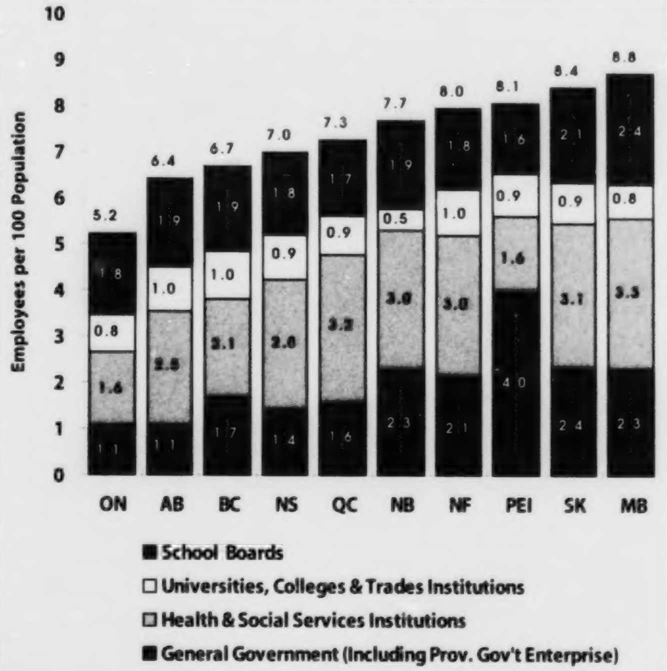
TAXATION LOAD
PROVINCIAL CREDIT RATING
ACCUMULATED DEBT
COST OF GOVERNMENT

SUPPLEMENTAL INFORMATION

Provincial Public Sector Employees (2000)

This chart compares the provinces' public sector employees per 100 population by major employment group for 2000.

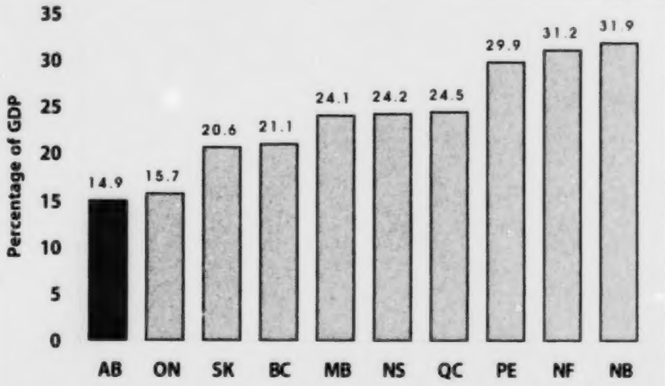
Alberta is second lowest among the provinces overall, but lowest for general government employment (1.06), slightly below second lowest Ontario (1.09).



Source: Statistics Canada, Public Institutions Division; Alberta Finance Statistics.

Provincial Government Expenditure (1999-00)

This chart compares provincial government expenditure as a percentage of GDP for the 1999-00 fiscal year.



Source: Statistics Canada (Financial Management System), Alberta Finance Statistics; Standard & Poor's, The Canadian Economy, February 2001.

goal 12 Alberta will have a fair and safe work environment

core measure WORKPLACE CLIMATE

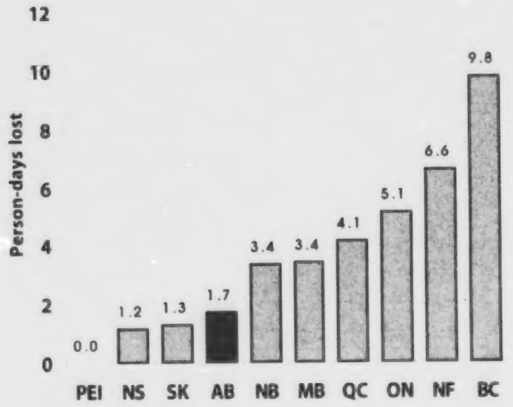
WORKPLACE CLIMATE

DESCRIPTION Alberta's provincial ranking of the number of person-days lost due to work stoppages and due to injury and disease, per 10,000 person-days worked.

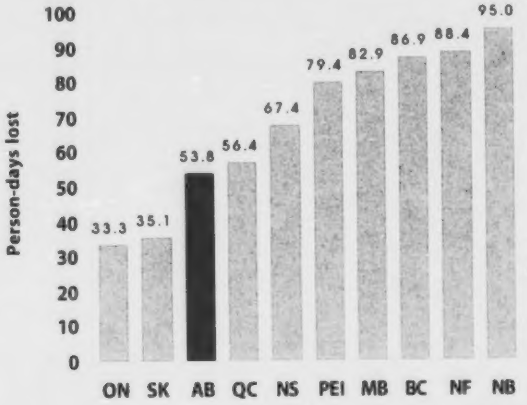
TARGET The rate of person-days lost to work stoppages, and injury and disease will be among the three lowest of all the provinces.

RESULTS Among the provinces, Alberta had the fourth lowest rate of person-days lost due to work stoppages in 2000, and the third lowest rate of person-days lost due to injury and disease in 1999.

PROVINCIAL RANKING OF PERSON-DAYS LOST DUE TO WORK STOPPAGES IN 2000 (PER 10,000 PERSON-DAYS WORKED)



PROVINCIAL RANKING OF PERSON-DAYS LOST DUE TO INJURY AND DISEASE IN 1999 (PER 10,000 PERSON-DAYS WORKED)*



Source: Human Resources Development Canada; Statistics Canada, Labour Force Survey; Statistics Canada, Public Institutions Division, Public Sector Employment, Wages and Salaries (CANSIM Matrix 2860).

* Data for Quebec, Newfoundland and Manitoba are based on preliminary estimates subject to verification by Human Resources Development Canada.

DISCUSSION Safe and healthy workplaces and cooperative labour relations are important factors for providing Albertans with a fair and safe work environment. In a growing economy, the number of less-experienced workers tends to increase as the workforce expands, resulting in more lost-time claims.

Proactive actions, such as partnerships among business, labour and government, and improved access to information about workplace health and safety standards, help to protect the work environment as economic activity increases and employment climbs.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal **12**

Alberta will have a fair and safe work environment

core measure

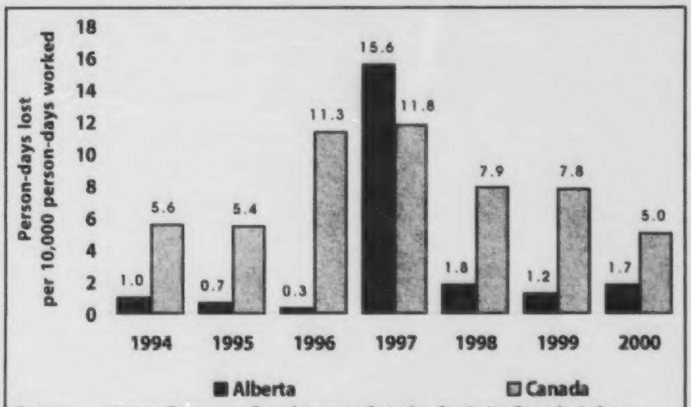
WORKPLACE CLIMATE

In 2000, the incidence of person-days lost due to work stoppages increased by 0.5 person-days per 10,000 person-days worked, reducing Alberta's ranking from second lowest among the provinces to fourth, but still well below the national rate. Workplace injury and disease increased in 2000 by 2.2 person-days per 10,000 person-days worked (see supplemental information). The most recent interprovincial data for person-days lost due to injury and disease shows that Alberta was third lowest among the provinces in 1999.

SUPPLEMENTAL INFORMATION

Person-days Lost Due to Work Stoppages

This chart compares the rate of person-days lost due to work stoppages in Alberta and Canada.

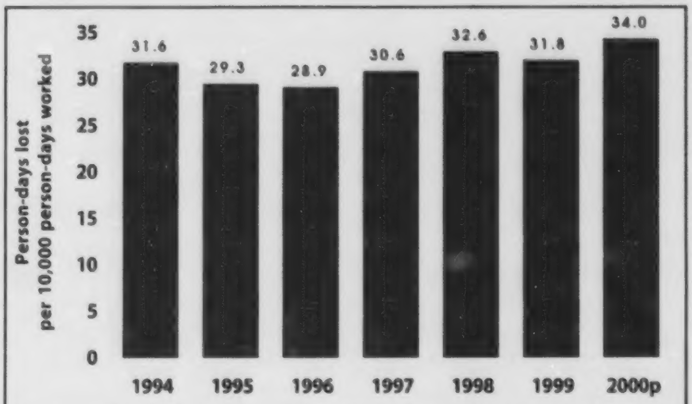


Source: Human Resources Development Canada; Statistics Canada, Labour Force Survey; Statistics Canada, Public Institutions Division, Public Sector Employment, Wages and Salaries (CANSIM Matrix 2860).

Note: 1997 Alberta data reflects the effect of the Canada Safeway strike.

Person-days Lost Due to Injury and Disease

This chart shows Alberta's recent history of the rate of person-days lost due to injury and disease. (The rate presented for 2000 differs from Alberta's rate presented on the previous page due to different data sources and methodologies, see Appendix I.)



Source: Alberta Human Resources and Employment; Alberta Workers' Compensation Board; Statistics Canada, Labour Force Survey; Statistics Canada, Public Institutions Division, Public Sector Employment, Wages and Salaries (CANSIM Matrix 2860).

p = preliminary

goal 13 Alberta businesses will increase exports

core measure EXPORT TRADE

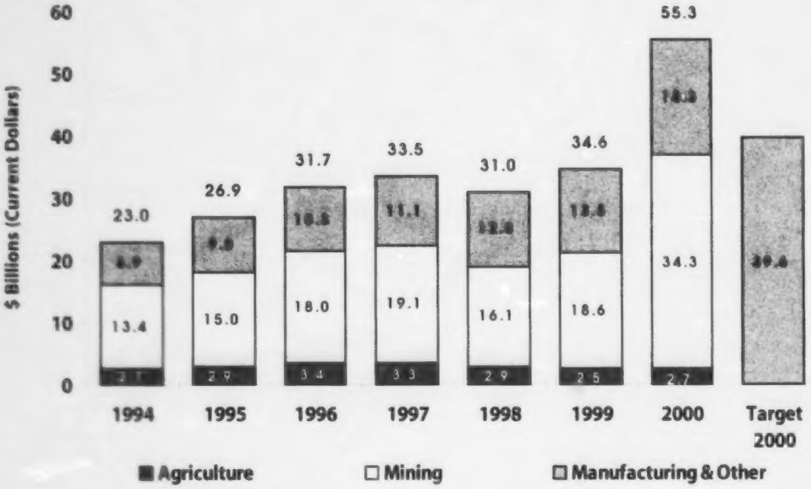
EXPORT TRADE

DESCRIPTION Alberta's total international exports, measured in current dollars, by major industry group including agriculture, mining, manufacturing and other.

TARGET Increase exports to $39.6 billion by 2000.

RESULTS Alberta's commodity exports to international markets increased by 59.9% to $55.3 billion in 2000.

TOTAL VALUE OF ALBERTA'S INTERNATIONAL EXPORTS
(BY MAJOR INDUSTRY)



Source: Alberta Economic Development (derived from Statistics Canada data).

DISCUSSION Exports are a vital part of Alberta's economy. The value of Alberta's exports increased in 2000 as a result of a combination of higher prices for commodities such as crude oil, natural gas and refined petroleum, and increased volumes of commodities such as crude oil, telecom equipment, oil and gas field equipment and wheat. Although the mining sector (including non-renewable energy resources) continues to represent a significant portion of Alberta's exports, the manufacturing sector's exports also increased strongly in 2000. All manufacturing exports (except wood products) increased, especially electrical and electronic equipment with a doubling of telecom equipment exports.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

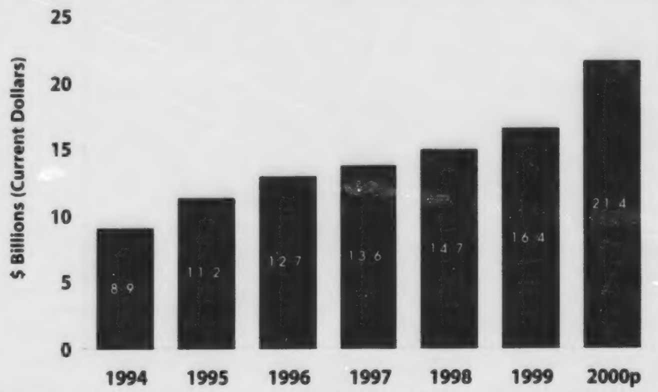
goal 13 Alberta businesses will increase exports

core measures **EXPORT TRADE**

SUPPLEMENTAL INFORMATION

Alberta's International Value-Added Exports

International value-added exports are the sum of manufactured goods and services. Since 1993, exports have grown steadily for petrochemicals, processed food and telecommunications.



Source: Alberta Economic Development (derived from Statistics Canada data).
p = preliminary

core business *Preservation...*

The goals for the ***Preservation*** core business reflect the government's priorities for community safety, our renewable resources, the environment, our natural, historical and cultural resources, and Alberta's relations with other levels of government.

Preservation

Preserving the Alberta tradition of:

- a safe society where justice prevails
- a clean environment
- strong values and culture
- pride in Alberta and strength within Canada
- strong communities.

There are six government goals for the *Preservation* core business and eight performance measures, including **Aboriginal Well-Being**, which is under development. Overall, two measures indicate declining performance, one measure shows an improvement, and there are no significant changes in performance in the other four measures. The following are the 2000-01 performance highlights for the *Preservation* measures.

MEANING OF SYMBOLS

⇧	improved performance (5% higher)
▬	no significant change in performance from previous year
⬇	declining performance (5% lower)

PERFORMANCE HIGHLIGHTS

▬ **Crime Rate** – Between 1998 and 1999 the gap between the national and Alberta violent crime rate decreased 1.1%. The gap between the national property crime rate and the Alberta property crime rate increased 3.4%.

▬ **Resource Sustainability** – Alberta's timber harvest remains below the annual allowable cut. However, agricultural land productivity declined to 0.86 tonnes per acre, below the target of 0.98 tonnes per acre.

▬ **Air Quality** – Alberta's air quality was rated either good or fair each day in 2000, with 359 days rated good, and 7 days rated fair.

⇧ **Water Quality** – Water quality in 2000 remained good. One notable improvement was in Edmonton, where an upgraded wastewater treatment plant has led to better downstream water quality.

⬇ **Land Quality** – Land productivity fell in 2000, to 0.86 tonnes per acre, below the target of 0.98 tonnes per acre.

▬ **Heritage Appreciation** – Visitation to natural, historical and cultural sites has remained relatively constant over the past several years.

⬇ **Intergovernmental Relations** – Alberta's approval rating was 15 percentage points above the four province average, down from 1999.

Aboriginal Well-Being - Measure under development.

OPPORTUNITIES FOR IMPROVEMENT

- **Crime Rate** - Alberta's property and violent crime rates remain above the Canadian rates. Alberta's violent crime rate was 11.1% higher than the Canadian rate, while property crime was 12.1% above the Canadian level.

- **Water Quality** - Water quality continues to improve but is still poorer downstream from areas of municipal, agricultural, or industrial development than upstream. Runoff, a "non-point" or diffuse source of pollution, is a concern; however, many point sources of pollution to Alberta's major rivers, such as discharges from municipal wastewater treatment plants, are being effectively managed.

goal 14 Alberta will be a safe place to live and raise families

core measure CRIME RATE

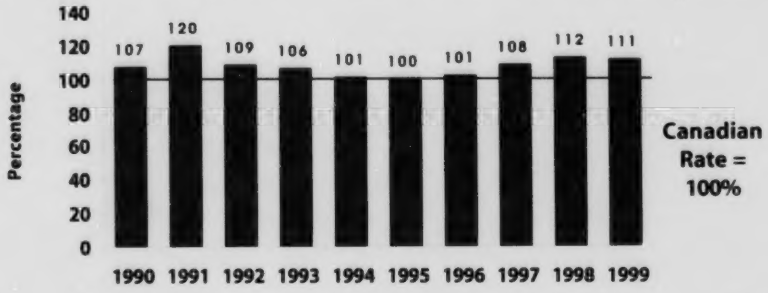
CRIME RATE

DESCRIPTION Alberta's violent and property crime rates expressed as a percentage of the national rates.

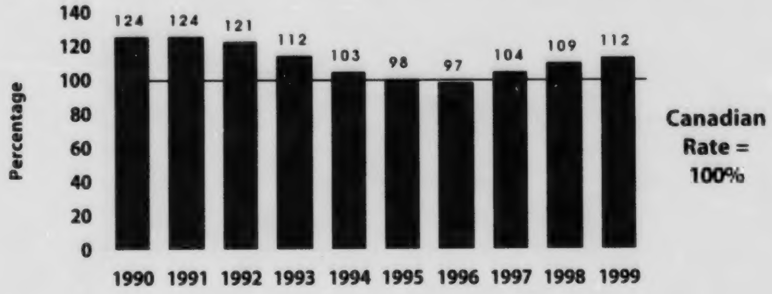
TARGET Reduce Alberta's crime rates below the national rate by the year 2000.

RESULTS In 1999, Alberta's violent crime rate was 11.1% higher than the Canadian rate, a decrease of 1.1%. Our property crime rate was 12.1% above the Canadian rate. This is an increase of 3.4%, as the national rate declined more than the Alberta rate.

ALBERTA'S VIOLENT CRIME RATE AS A PERCENTAGE OF THE CANADIAN RATE



ALBERTA'S PROPERTY CRIME RATE AS A PERCENTAGE OF THE CANADIAN RATE



Source: Canadian Crime Statistics, 1999, Canadian Centre for Justice Statistics.

DISCUSSION Alberta's crime rates are dropping. At the same time, national rates are decreasing more rapidly, widening the gap between the Canadian and Alberta rates. Despite the fact that actual crime rates are declining, 42% of Albertans feel that crime in their neighbourhood has increased somewhat or substantially over the last several years. However, 59% of Albertans feel that their neighbourhood has a lower level of crime than other neighbourhoods in Alberta.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal **14** Alberta will be a safe place to live and raise families

core measure **CRIME RATE**

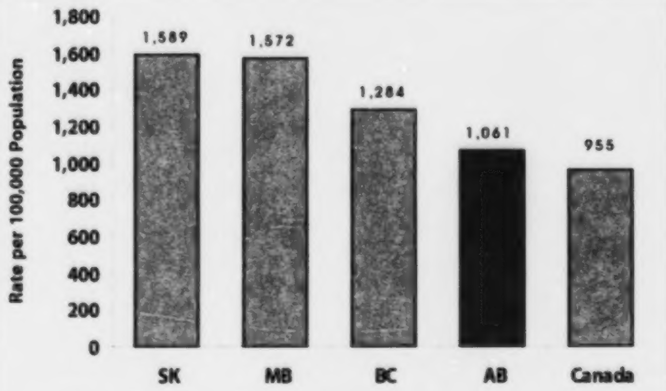
SUPPLEMENTAL INFORMATION

Canadian Crime Rates by Province (Rates per 100,000 Population)

Crime rates traditionally have been higher in western Canadian provinces such as Alberta. The higher crime rate may be due in part to a younger, more mobile population and a higher proportion of aboriginal people living in western Canada (population groups who are over-represented both as offenders and as victims of crime). In addition, Alberta has a higher rate of reporting crime to police than is found at the national level. Policing practices and administrative approaches to crime are also influential in crime rates and vary greatly by province and territory.

Violent Crime (1999)

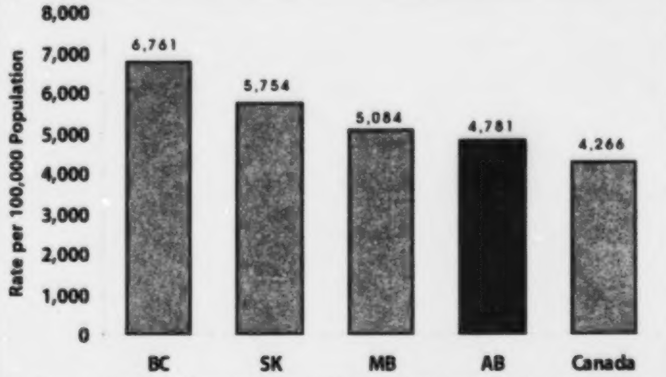
Violent incidents involve offences that deal with the application, or threat of application, of force to a person. These include homicide, attempted murder, various forms of sexual and non-sexual assault, robbery and abduction. Initial results provided by Alberta Police Services show that the violent crime rate remained roughly constant in 2000.



Source: Canadian Crime Statistics, 1999, Canadian Centre for Justice Statistics.

Property Crime (1999)

Property incidents involve unlawful acts with the intent of gaining property but do not involve the use or threat of violence against an individual. Theft, breaking and entering, fraud and possession of stolen goods are examples of property crimes. Initial results for 2000 provided by Alberta Police Services indicate that the property crime rate fell to 4,452 incidents per 100,000 population, a decrease of 6.9%.



Source: Canadian Crime Statistics, 1999, Canadian Centre for Justice Statistics.

goal 14 Alberta will be a safe place to live and raise families

core measure **CRIME RATE**

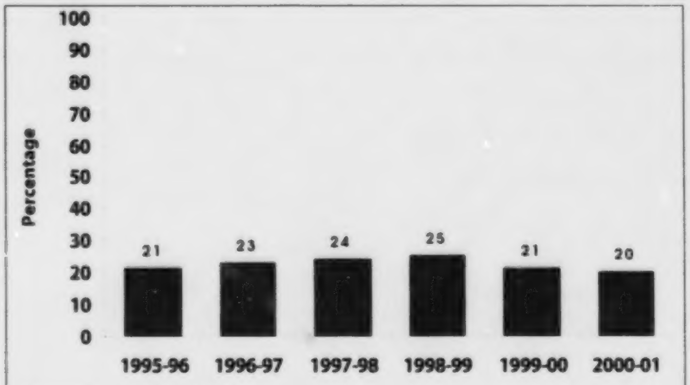
SUPPLEMENTAL INFORMATION

Victimization Survey

Victimization surveys are valuable in estimating the actual level of crime, as they estimate the extent of unreported crime. These surveys ask the population about their personal crime experiences. They capture information on crimes that have been reported to the police, as well as those that have gone unreported. Victimization surveys are limited in that they rely on respondents to report events accurately. The surveys by their nature exclude the collection of information on homicide, "victimless" crimes (prostitution, drugs, and gambling), crimes committed against commercial or public property, and crimes committed against children.

Victimization Rate

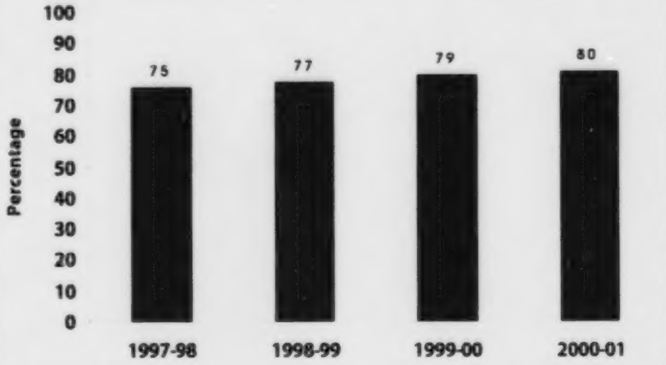
In Alberta, 20% of respondents age 18 and over indicated that they had been victimized in the past year. This compares to a national figure of 25% of Canadians age 15 and over surveyed for the General Social Survey. Higher rates of victimization were noted for young people, urban residents, and men.



Source: Environics West.

Public Perception of Safety in the Neighbourhood

On the whole, Albertans feel very safe in their neighbourhoods. This chart shows the percentage of Albertans who feel comfortable walking alone in their neighbourhoods at night. Fear for personal safety is higher for urban residents, those with less than a high school education, lower income respondents, women and senior citizens.



Source: Environics West.

goal 14 Alberta will be a safe place to live and raise families

core measure **CRIME RATE**

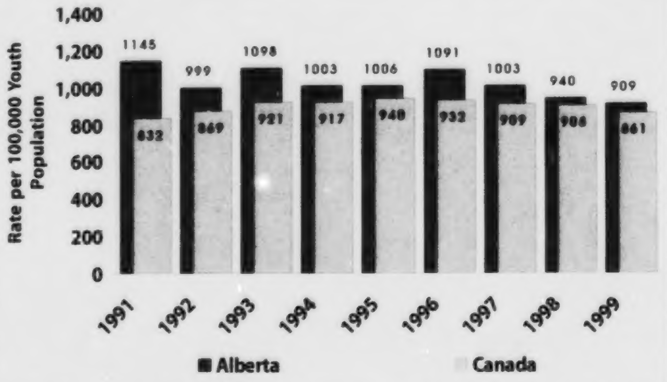
SUPPLEMENTAL INFORMATION

Youth Crime

Providing effective treatment and rehabilitation of young offenders, and ensuring the safety of Alberta's communities are primary objectives of the youth justice system. The *Young Offenders Act* recognizes the special needs that youth have as a result of their varying levels of maturity, the necessity for youths to accept responsibility for unlawful action and the right of society to protection from illegal behaviour. New federal legislation proposes to treat young offenders committing serious violent crimes more severely than the present legislation while making provisions to keep first-time offenders of less serious crimes out of the formal justice system.

Youth Violent Crime Rate

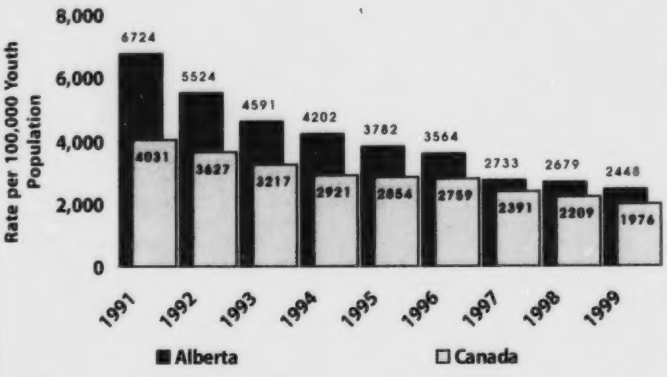
Violent crime by Alberta youth fell 3.3% in 1999.



Source: Canadian Crime Statistics, 1999, Canadian Centre for Justice Statistics.

Youth Property Crime Rate

In 1999, property crime by Alberta youth decreased 8.6% while the national rate decreased 10.5%.



Source: Canadian Crime Statistics, 1999, Canadian Centre for Justice Statistics.

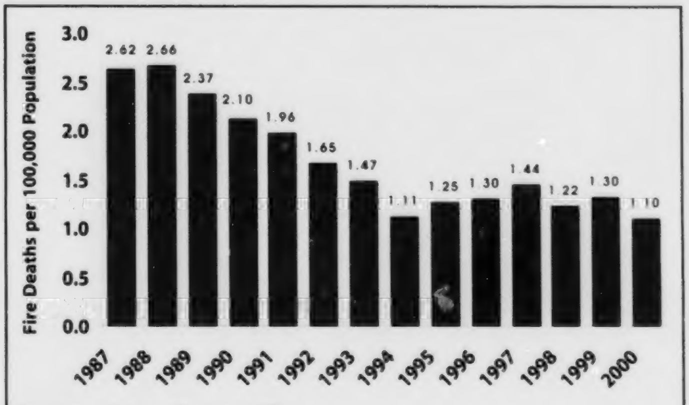
goal 14 Alberta will be a safe place to live and raise families

core measure **CRIME RATE**

SUPPLEMENTAL INFORMATION

Fire Deaths

The Alberta government promotes all aspects of fire protection to reduce deaths, injuries and property losses due to fire in Alberta. In addition to enacting fire prevention legislation and enforcing the fire code, fire prevention is promoted through advisory services, the use of fire statistics and public fire safety education and information programs.



Source: Alberta Municipal Affairs.
Note: Data is calculated as a three-year rolling average.

goal 15 Alberta's natural resources will be sustained

core measure RESOURCE SUSTAINABILITY

RESOURCE SUSTAINABILITY

DESCRIPTION Timber sustainability compares the annual timber harvest with the long-term sustainable annual allowable cut.

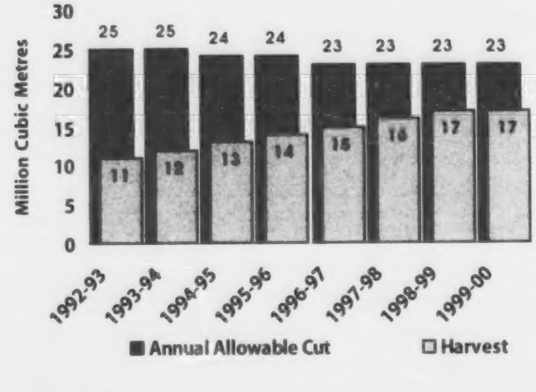
Land quality measures the annual provincial crop yield per acre converted to a standard base of tonnes per acre of wheat.

TARGET Keep Alberta's timber harvest at or below the annual allowable cut; increase farm crop yield to 0.98 tonnes per acre by the year 2000; and prolong the reserve life of Alberta's oil and gas*.

**Sustaining Alberta's non-renewable energy reserves is not consistent with the government's role of ensuring that the value of these resources is optimized for Albertans. As such, the presentation of results for non-renewable energy resources has been moved to goal 6 to illustrate the economic sustainability of these resources under the goal for economic prosperity. In future Measuring Up reports, goal 15 will focus on renewable resources only.*

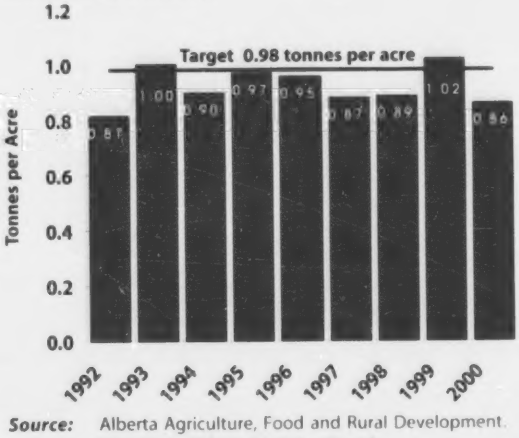
RESULTS Alberta's timber harvest remained below the annual allowable cut and farm crop yield per acre decreased to 0.86 tonnes per acre.

TIMBER SUSTAINABILITY



Source: Alberta Sustainable Resource Development.
Note: Data is calculated as a five-year rolling average.

LAND PRODUCTIVITY



Source: Alberta Agriculture, Food and Rural Development. Data derived from Statistics Canada.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal 15 Alberta's natural resources will be sustained

core measure **RESOURCE SUSTAINABILITY**

DISCUSSION

Alberta's renewable resources make a significant contribution to our economy. Ensuring the long term sustainability of these resources (forests and agricultural lands) will help ensure long term prosperity for the province. The forestry index indicates the general health of the resource. The land productivity index fell in 2000 after an above-average year in 1999, owing to dry conditions in much of southern and central Alberta.

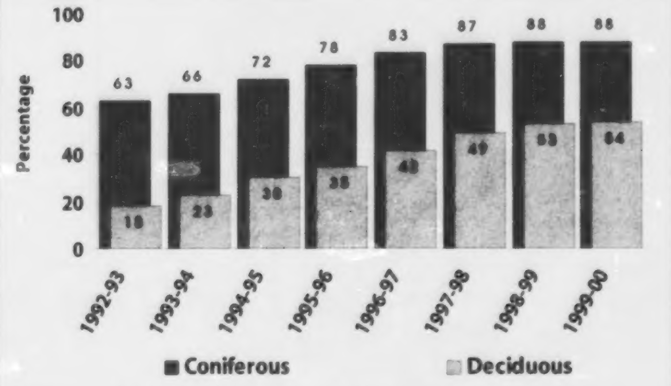
Over the next year, the feasibility of including a measure which would track the growth of sustainable energy production (carbon intensity of electricity generation) will be reviewed. This new measure will track both the improvements in conventional sources of electricity such as coal and natural gas, and the further use of alternative energy resources such as wind power.

SUPPLEMENTAL INFORMATION

Timber Harvest as a Percentage of the Annual Allowable Cut

This chart indicates the annual timber harvest of coniferous and deciduous timber as a percentage of the annual allowable cut (AAC) within the Green Area. The Green Area is primarily the unsettled portion of the province defined as lands not available for agricultural development other than grazing. The AAC is the amount of timber that can be harvested on a sustainable basis within a defined planning area. The AAC is adjusted to reflect changes in timber supply, availability and forest management strategies. This measure is calculated to demonstrate a rolling five-year average consistent with forest harvest practices in Alberta.

Other factors that can affect the annual allowable cut and the volume harvested include variations in timber prices, changes to reserved areas, forest regeneration success, insects and disease, and forest fires.



Source: Alberta Sustainable Resource Development.
Note: Data is calculated as a five-year rolling average. The coniferous harvest is expressed as a percentage of the coniferous AAC and the deciduous harvest is expressed as a percentage of the deciduous AAC. Therefore, the stated percentages in the chart are not additive.

goal 16 The high quality of Alberta's environment will be maintained

core measures

AIR QUALITY
WATER QUALITY
LAND QUALITY

AIR QUALITY

DESCRIPTION Index of outdoor concentrations of five major air pollutants monitored at nine stations across the province.

TARGET Maintain air quality at levels that are considered "good" or "fair" at all times.

RESULTS There were no days rated "poor" or "very poor" last year.

AIR QUALITY DAYS

	Good	Fair	Poor	Very Poor
1987	350	15	0	0
1988	355	11	0	0
1989	356	9	0	0
1990	354	11	0	0
1991	352	13	0	0
1992	361	5	0	0
1993	359	6	0	0
1994	349	16	0	0
1995	358	7	0	0
1996	360	6	0	0
1997	359	6	0	0
1998	354	11	0	0
1999	357	8	0	0
2000	359	7	0	0

Source: Alberta Environment.

DISCUSSION One of Albertans' key concerns about the environment is the quality of air we breathe. Ensuring the protection of Alberta's clean air is paramount to maintaining our health and quality of life (see also **Life Expectancy at Birth**). Poor air quality may also have negative effects on crop quality and production (see also **Land Quality**). The air quality index provides an indication of the quality of air in Alberta throughout the year.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal 16 The high quality of Alberta's environment will be maintained

core measures

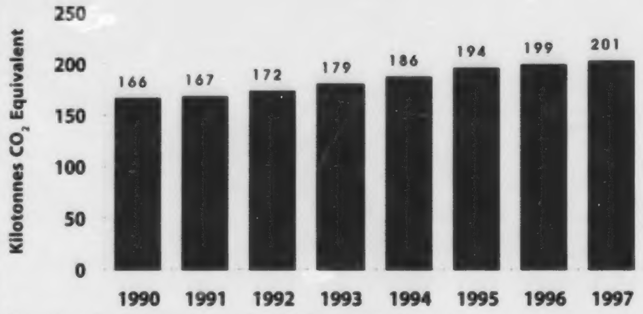
AIR QUALITY
WATER QUALITY
LAND QUALITY

SUPPLEMENTAL INFORMATION

Alberta Greenhouse Gas Emissions

Certain emissions contribute to the "Enhanced Greenhouse Effect" that many scientists predict will lead to changes in the earth's climate.

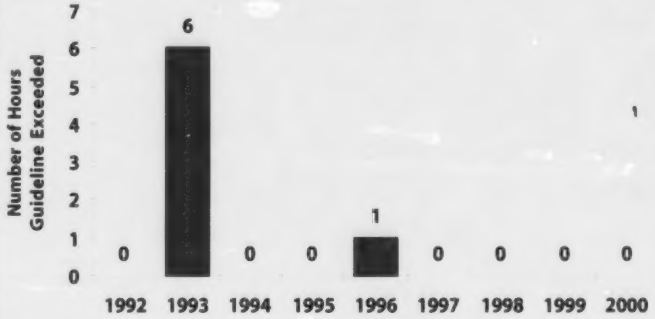
Greenhouse gases include water vapour, carbon dioxide (CO_2), ozone, methane, nitrous oxide, and hydrofluorocarbons.



Source: Environment Canada and Alberta Environment.

Nitrogen Dioxide Levels

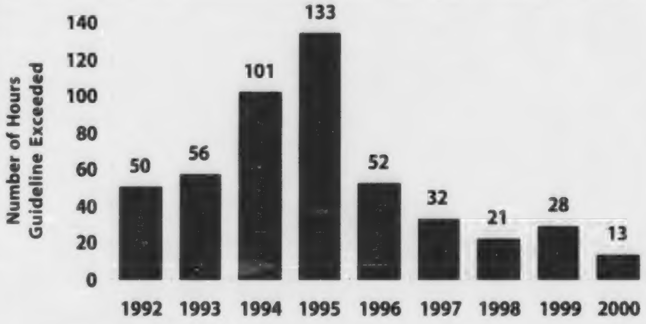
Nitrogen dioxide may be toxic to plants at high concentration levels, and can irritate the lungs and increase susceptibility to respiratory infections. The largest urban source is motor vehicle emissions.



Source: Alberta Environment.
Note: Data collected from industry-operated stations throughout the province.

Sulphur Dioxide Levels

Sulphur dioxide can decrease growth rates of crops and trees, corrode metals and weaken textiles and building materials. Sulphur dioxide irritates the throat and lungs and can damage the respiratory system. Most emissions are from the energy industry.



Source: Alberta Environment.
Note: Data collected from industry-operated stations throughout the province.

goal 16 The high quality of Alberta's environment will be maintained

core measures

AIR QUALITY
WATER QUALITY
LAND QUALITY

WATER QUALITY

DESCRIPTION Index of four variable components (metals, nutrients, bacteria, and pesticides) tested monthly at two locations for each of the province's six major river systems.

TARGET Bring river quality downstream of developed areas in line with upstream conditions, while maintaining overall river water quality.

RESULTS Overall, the water quality of Alberta's major rivers is "excellent" to "fair"; however, water quality tends to be lower downstream of areas of significant urban, industrial or agricultural development.

ALBERTA SURFACE WATER QUALITY INDEX

LOCATION	1996-97	1997-98	1998-99	1999-00	COMMENTS
BOW RIVER					Water quality is better upstream of Calgary than downstream. Upgraded municipal wastewater treatment, including full disinfection (1997), has resulted in improved conditions downstream.
upstream of Calgary	☆	☆	☆	☆	
downstream of Calgary	◑	✓	✓	✓	
NORTH SASKATCHEWAN RIVER					Conditions downstream of Edmonton have improved due to upgraded wastewater treatment (1998), which has reduced the levels of bacteria in the river.
upstream of Edmonton	✓	☆	✓	✓	
downstream of Edmonton	◑	◑	◑	✓	
RED DEER RIVER					Water quality is better upstream of Red Deer than downstream for all four variable groups (metals, nutrients, bacteria and pesticides).
upstream of Red Deer	◑	n/a	✓	✓	
downstream of Red Deer	✓	n/a	✓	◑	
OLDMAN RIVER					Conditions are improving downstream of Lethbridge due to upgraded wastewater treatment (1999). The quality of the upstream site varies from year to year due to the influence of city storm runoff. Recent dry conditions have caused less runoff resulting in less movement of contaminants from the land to the river.
upstream of Lethbridge	◑	✓	✓	☆	
downstream of Lethbridge	✓	✓	◑	✓	
SMOKY/PEACE RIVER					Conditions remain good at both sites, but nutrients occasionally do not meet guidelines. In addition, a number of pesticides were detected in the Peace River at Fort Vermilion this year.
at Watino	✓	✓	✓	✓	
at Ft. Vermilion	✓	✓	✓	✓	
ATHABASCA RIVER					Conditions remain good at both sites. However, nutrient and metal concentrations occasionally exceeded guidelines at both sites.
at Athabasca	✓	✓	✓	✓	
at Old Fort	✓	✓	✓	✓	

Index based on the results of testing water quality for four variable groups compared to water quality guidelines.

☆	96-100	Almost always met (**Excellent**)
✓	81-95	Occasionally not met, but usually by small amounts (**Good**)
◑	66-80	Sometimes not met by moderate amounts (**Fair**)
●	46-65	Often not met, sometimes by large amounts (**Marginal**)
✖	0-45	Almost always not met by large amounts (**Poor**)

Source: Alberta Environment.
Note: n/a - overall scores are not provided as no pesticide data were available.

goal 16 The high quality of Alberta's environment will be maintained

core measures

AIR QUALITY
WATER QUALITY
LAND QUALITY

DISCUSSION

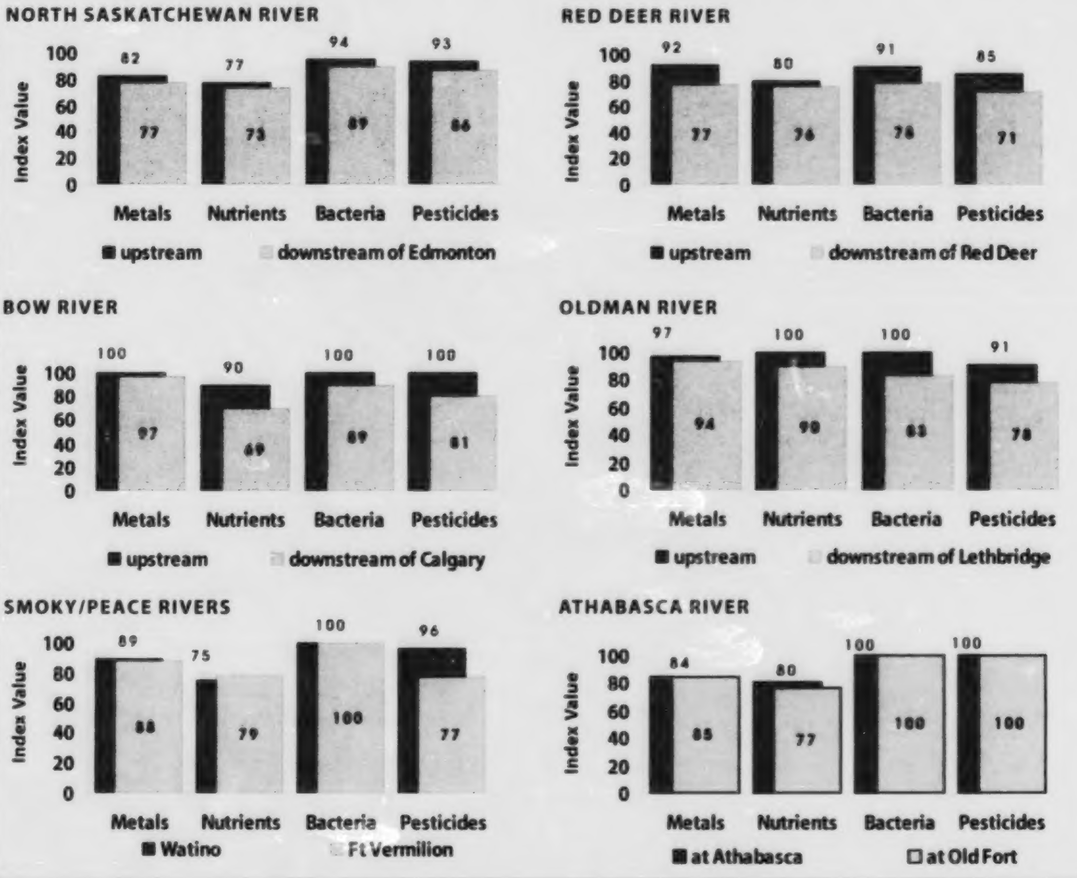
The quality of Alberta's water bodies is evaluated to determine how suitable the water is for various uses, including recreation, agriculture and the protection of aquatic life. River water quality is used for this measure as the effects of human activities are generally more evident in rivers than in lakes.

Upgraded municipal wastewater treatment (disinfection) in Calgary (1997), Edmonton (1998) and Lethbridge (1999) has improved water quality downstream of these cities.

There is minimal threat when water quality is "good" or "fair". "marginal" or "poor" ratings indicate that water quality is often significantly impaired.

SUPPLEMENTAL INFORMATION

Surface Water Quality Index by Variable Group (1999-00)



Source: Alberta Environment.

Index Value:
96-100 Excellent
81-95 Good
66-80 Fair
46-65 Marginal
0-45 Poor

goal 16 The high quality of Alberta's environment will be maintained

core measures

AIR QUALITY
WATER QUALITY
LAND QUALITY

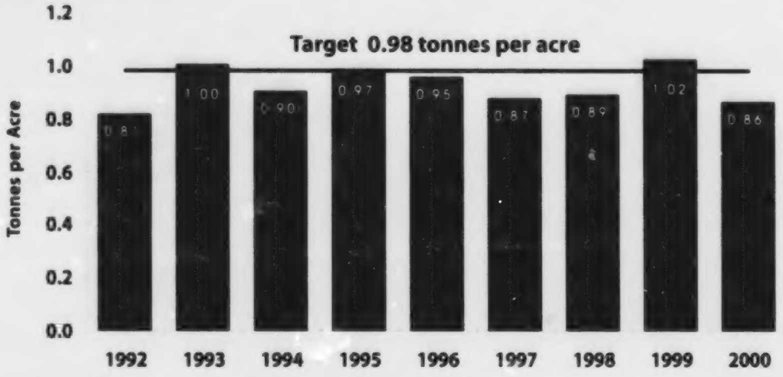
LAND QUALITY

DESCRIPTION Measure of the annual provincial crop yield per acre converted to a standard base of tonnes per acre of wheat.

TARGET Increase crop yield to 0.98 tonnes per acre by the year 2000.

RESULTS Crop yield decreased in 2000 to 0.86 tonnes per acre, below the target of 0.98.

LAND PRODUCTIVITY



Source: Alberta Agriculture, Food and Rural Development.
Data derived from Statistics Canada.

DISCUSSION Crop yield per acre decreased significantly in 2000, after an above-average year in 1999. Dry conditions in much of southern Alberta and parts of central Alberta reduced crop outputs.

The quality, health and productivity of Alberta's land base is vital to our health and to our economy. Ensuring that land is used wisely for agriculture, forestry, industrial use, municipal development, recreation and tourism, or other uses is critical to our economic, social and cultural well-being.

There are currently no comprehensive Canadian or Alberta indicators for land or soil quality. We are able to test soil quality, but there is no map of soil quality for the province. As a proxy, we are using crop yield on a tonnes per acre basis. Crop yield is an indirect measure of long-term land productivity.

goal 16 The high quality of Alberta's environment will be maintained

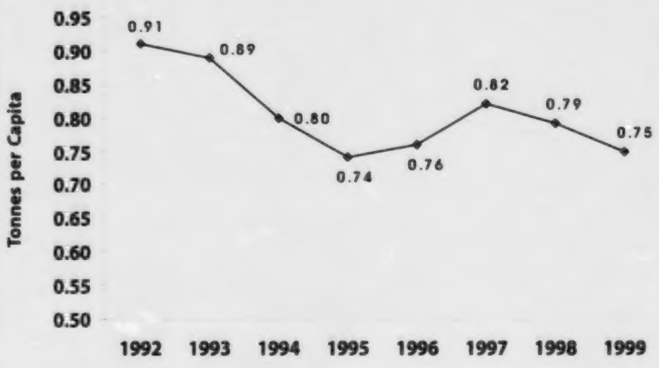
core measures

AIR QUALITY
WATER QUALITY
LAND QUALITY

SUPPLEMENTAL INFORMATION

Municipal Solid Waste to Landfills

The Alberta government provides technical and financial assistance to municipalities for waste management and recycling infrastructure, as well as training, education and general awareness about waste management options and opportunities.



Source: Alberta Environment.

Species at Risk

Alberta has an abundance and diversity of wild plants, insects, fish, amphibians, birds and mammals. However, as a result of natural and human causes, some species of wildlife are considered "at risk."

In 1996, the Alberta government signed the Accord for the Protection of Species at Risk, which requires the government to monitor, assess, and report regularly on the status of all wild species. In the first report, *Wild Species 2000*, Alberta reported on the status of 8 reptiles, 10 amphibians, 403 birds, 93 mammals, 63 fish, 183 butterflies, 46 ferns, and 26 orchids. Out of the 832 species that were assessed, 12 (1.4%) were classified as "at risk."

goal 16 The high quality of Alberta's environment will be maintained

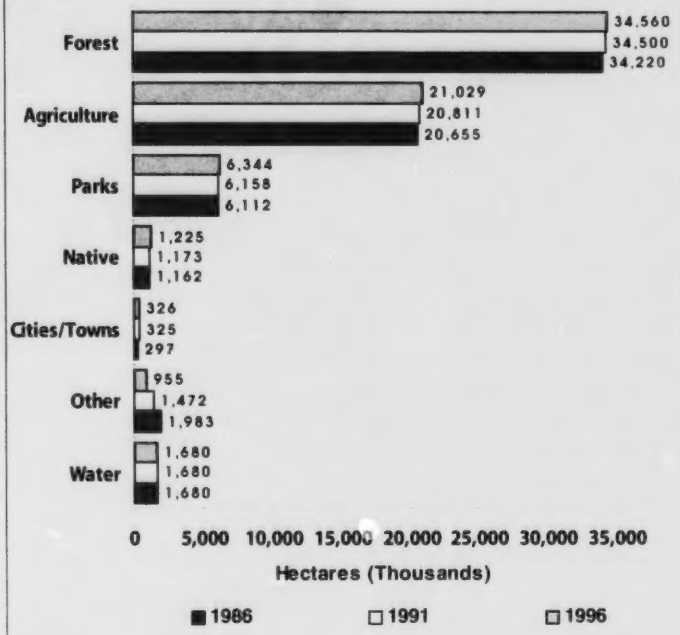
core measures
AIR QUALITY
WATER QUALITY
LAND QUALITY

SUPPLEMENTAL INFORMATION

Land Use Changes (1986 to 1996)

Changes in land use may have implications for the sustainability of natural ecosystems over time. Monitoring the change in land use for municipalities will also indicate the effect of human activities on the land.

Between 1986 and 1996, land use has increased for: forests (340,000 hectares); agriculture (374,000 hectares); parks (232,000 hectares); native lands (63,000 hectares) and cities and towns (29,000 hectares).



Source:

Forest	Sustainable Resource Development, Green Zone estimates with exceptions of Provincial and National Parks and Forests within Aboriginal Areas.
Agriculture	Statistics Canada, 1996 Agricultural Profile of Alberta, Cat. 95 180XPB, and previous census for 1991 and 1986.
Parks and Water	Compendium of Canadian Forestry Statistics, National Forestry Database 1996.
Native	International and Intergovernmental Relations.
Cities/Towns	Statistics Canada, 1996 Census of Canada (GEOREF) and Agricultural Census of Canada.

goal **17**

Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources

core measure HERITAGE APPRECIATION

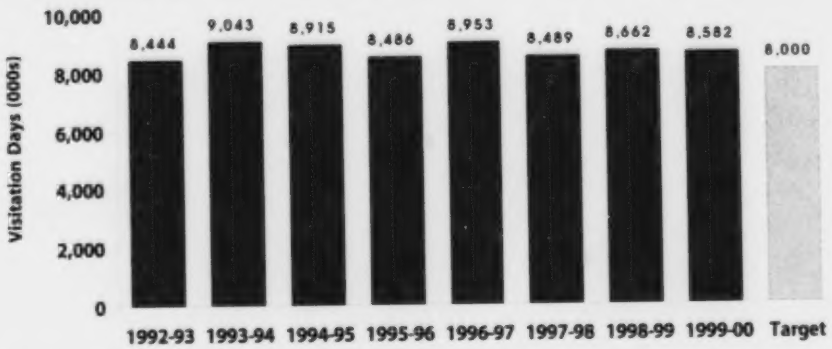
HERITAGE APPRECIATION

DESCRIPTION Reports annual visitation to provincial parks and recreation areas and to provincially owned historic sites, museums and interpretive centres.

TARGET 1.1 million visitors per year to historic sites, museums and interpretive centres and at or above 8 million visitors per year to provincial parks and recreation areas.

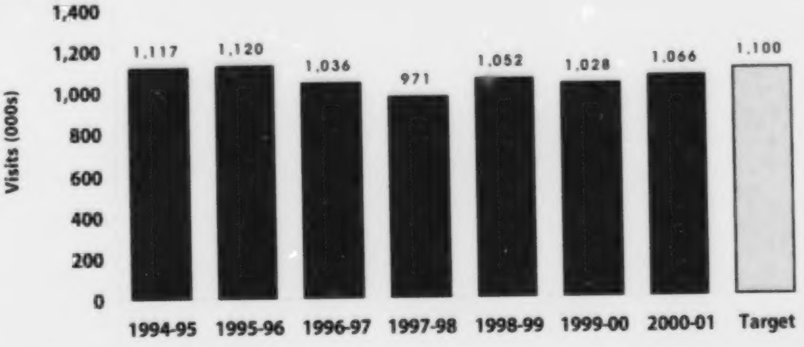
RESULTS Visitation to natural, historical and cultural sites has remained relatively constant over the past few years.

VISITATION TO PROVINCIAL PARKS AND PROVINCIAL RECREATION AREAS



Source: Alberta Community Development.

VISITATION TO PROVINCIALLY OWNED HISTORIC SITES, MUSEUMS AND INTERPRETIVE CENTRES



Source: Alberta Community Development.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal **17**

Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources

core measures

HERITAGE APPRECIATION

DISCUSSION

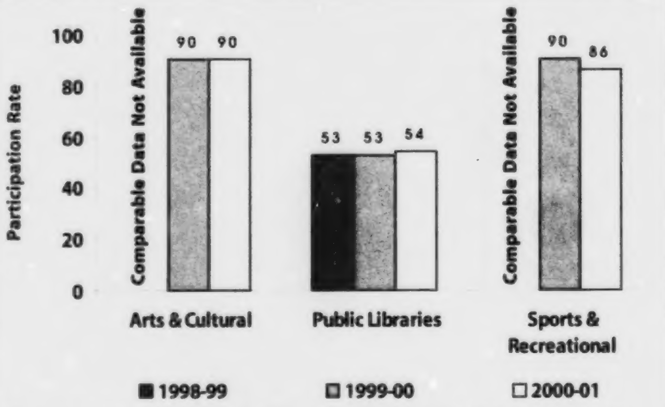
Albertans enjoy a high quality of life owing, in part, to the opportunities to access the province's wealth of natural, cultural and historical resources. These resources include parks and recreation areas, historic sites, museums, libraries, arts and cultural programs and sport and recreational opportunities.

Of the total annual visitation to "Historic Sites, Museums and Interpretive Centres", about 40% of the visits are from outside Alberta.

SUPPLEMENTAL INFORMATION

Sports and Recreational, Arts and Cultural, and Library Activities Participation Rate

Participation in sports and recreational, arts and cultural, and library activities is an indicator of the opportunities Albertans have to enjoy these resources. This chart shows the percentage of adult Albertans who visit public libraries and participate in arts and cultural activities such as performing in a choir, playing a musical instrument, taking an arts course, visiting an arts exhibition or gallery and sports and recreational activities such as skiing, golfing, skating, hockey, walking, bicycling and swimming.



Source: Alberta Community Development, based on 1999, 2000 and 2001 Research Innovations Inc. (formerly Advisory Group) surveys.

goal **17**

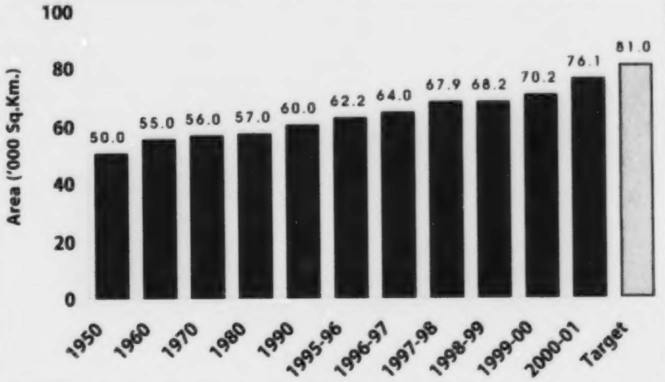
Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources

core measures **HERITAGE APPRECIATION**

SUPPLEMENTAL INFORMATION

Parks and Protected Areas

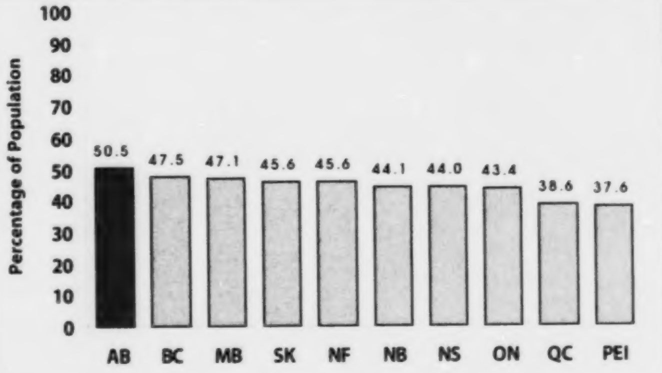
The designation of parks and protected areas preserves and protects Alberta's natural heritage to ensure it can be appreciated by generations to come. The chart shows the total area of national parks, provincial parks and protected areas in Alberta.



Source: Alberta Community Development.
Note: Data from 1950 through 1990 are estimates.

Participation in Outdoor Activities (1996)

Albertans enjoy spending time in nature. This chart compares Albertans' participation in outdoor activities with people from other provinces. Some of the most popular activities in 1996 were camping, picnicking, sightseeing, and relaxing outdoors.



Source: Environment Canada. "The Importance of Nature to Canadians: Survey Highlights", 1999.

goal 18 Alberta will work with other governments and maintain its strong position in Canada

core measure INTERGOVERNMENTAL RELATIONS

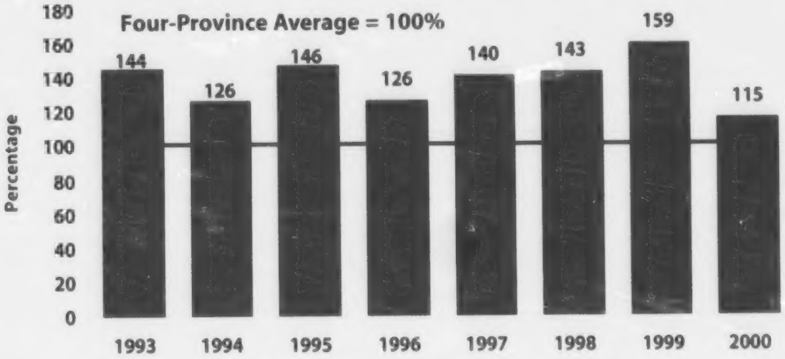
INTERGOVERNMENTAL RELATIONS

DESCRIPTION Results of national opinion poll surveying the view of Canadians regarding the performance of their provincial and federal government in various areas of governance.

TARGET Maintain the Alberta government's public approval rating in federal-provincial relations at a level equivalent to the average approval rating of four other provinces (British Columbia, Saskatchewan, Manitoba and Ontario).

RESULTS In 2000, the Alberta government's approval rating in federal-provincial relations was 15% better than the average of the four other provinces, down from 1999. The key reason for the decline was a strong improvement in the ratings of the four other provinces, although Alberta's rating also fell.

ALBERTA'S PUBLIC APPROVAL RATINGS IN FEDERAL-PROVINCIAL RELATIONS AS A PERCENTAGE OF THE AVERAGE RATING OF FOUR OTHER PROVINCES



Source: Environics Research Group Limited, Focus Canada Report.

DISCUSSION The Alberta government plays a significant role in the Canadian federation, demonstrating leadership in those policy areas that affect the well-being of Albertans and other Canadians.

In particular, Alberta works to improve the social and economic well-being of Albertans through a more effective and efficient federation. The government recognizes that positive and productive relations between governments are essential for the effective operation of the Canadian federation.

The province continually seeks fair and equal treatment for Alberta within the federation, while recognizing the importance of helping other provinces achieve economic and fiscal self-reliance.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

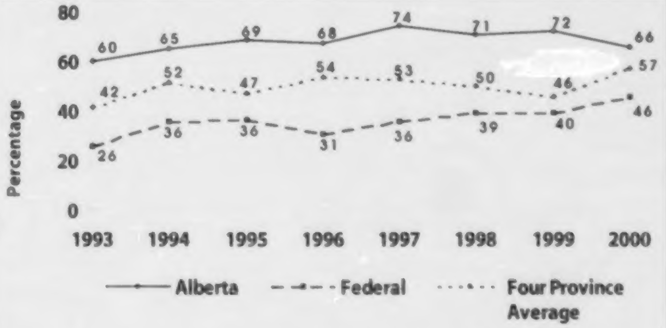
goal 18 Alberta will work with other governments and maintain its strong position in Canada

core measure **INTERGOVERNMENTAL RELATIONS**

SUPPLEMENTAL INFORMATION

Alberta's Public Approval Ratings in Federal-Provincial Relations

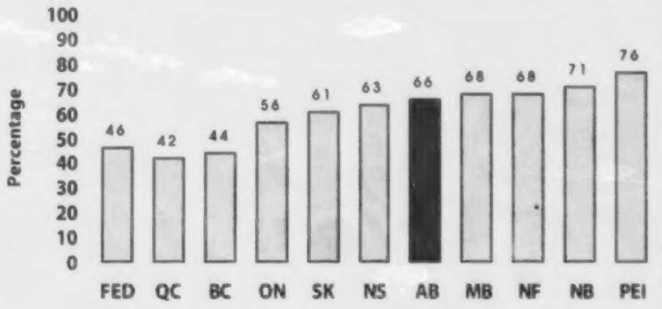
Since 1993, Alberta's public approval ratings in federal-provincial relations have been higher than the four-province average, and that of the federal government. Alberta's rating fell six percentage points in 2000.



Source: Environics Research Group Limited, Focus Canada Report.

Public Approval Ratings in Federal-Provincial Relations (2000)

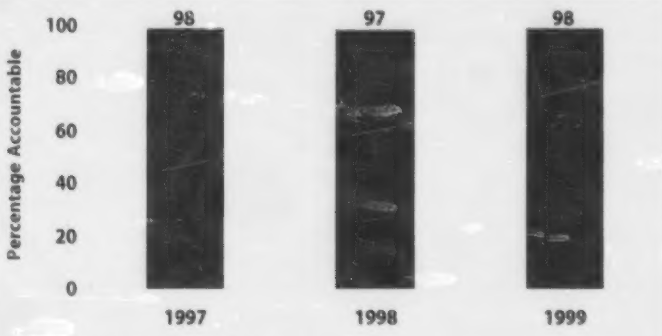
When compared to all other provinces and the federal government, Alberta ranked 5th in public approval ratings, a drop from 1st place in 1999. Alberta's rating fell in 2000, while several provinces improved their ratings substantially.



Source: Environics Research Group Limited, Focus Canada Report, 2000.

Municipal Financial Accountability

The Alberta government works to ensure that municipalities are financially accountable by establishing legislated limits upon which the criteria for financial sustainability are based. Regularly not meeting the criteria, or not addressing the associated problems may indicate viability issues.



Source: Alberta Municipal Affairs.

New

goal 19 The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans

core measure ABORIGINAL WELL-BEING

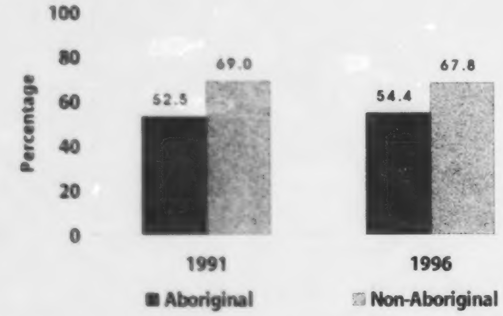
ABORIGINAL WELL-BEING (MEASURE UNDER DEVELOPMENT)

DESCRIPTION Aboriginal well-being is measured by comparing the employment rate and the high school completion rate of Alberta's Aboriginal people to those of non-Aboriginal people, and by comparing the life expectancy of registered Indians to that of all Albertans.

TARGET To be established.

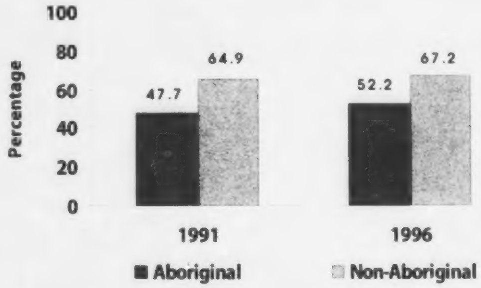
RESULTS New measure.

EMPLOYMENT RATE



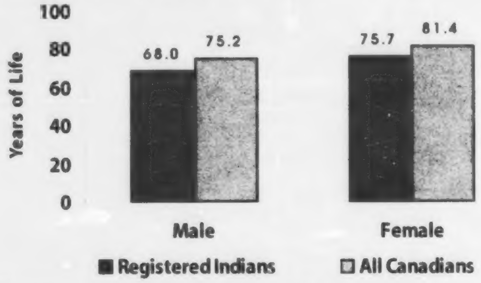
Source: Statistics Canada, 1991 & 1996 Census.

PERCENTAGE OF POPULATION COMPLETING HIGH SCHOOL



Source: Statistics Canada, 1991 & 1996 Census.

LIFE EXPECTANCY OF REGISTERED INDIAN AND CANADIAN POPULATIONS (1995)



Source: Information Management Branch, Indian and Northern Affairs Canada, Feb/00.

Note: Alberta-specific data will not be available until 2005. Canadian data is used as a proxy.

For more information, see the core measures methodology and related ministry measures in Appendix I and III.

goal

19 The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans

core measures

ABORIGINAL WELL-BEING

DISCUSSION

There are significant socio-economic disparities between First Nations, Metis and other Aboriginal communities and other Albertans. Many Aboriginal people face significant health challenges, as 30% have disabilities that may limit their physical, mental and emotional well-being and their ability to participate fully in economic activities. In 1996, almost half of all Aboriginal people in Alberta were under 20 years of age, compared with 29 percent of the province's overall population. Aboriginal youth need to be prepared for a rapidly changing social, economic and work environment. This goal supports the Aboriginal Policy Initiative, one of the government's cross-ministry initiatives (see Appendix IV).

APPENDIX I

Core Measures Methodology

LIFE EXPECTANCY AT BIRTH

Life expectancy estimates are calculated and published by Statistics Canada. The Alberta data are Alberta Health and Wellness estimates. The 95% confidence interval for Alberta life expectancy estimates is about +/- .3 years. International life expectancies are from the World Health Organization's *World Health Report 2000*, but represents 1999 data.

HEALTH STATUS

Data is collected through a telephone survey conducted for Alberta Health and Wellness of 4,000 randomly selected Alberta households. The question asked of Albertans 18 and over to seek self-reported health status is: *"In general, compared with other people your age, would you say your health is excellent, very good, good, fair, or poor?"* The confidence interval for this survey is 2 percentage points above or below the reported results.

WELL-BEING OF CHILDREN/ECONOMIC STATUS OF ALBERTANS

The Market Basket Measure (MBM) of low income calculates income at which a family of two adults and two children has sufficient income to achieve a credible standard of living. To purchase the "market basket" the family must have sufficient income to purchase nutritious food, buy clothing for work and social occasions, house themselves in their community, and pay for transportation and other necessary expenditures. The costs of the items in the MBM vary across the country and are adjusted for different family sizes and configurations. The threshold income is net of income and payroll taxes, child care costs, child support payments and out-of-pocket medical costs.

The 1997 data was calculated using thresholds for 1996 based on the preliminary version of the MBM. These were updated for 1997 by inflating the food, clothing and footwear and rent components by the percentage changes in these components in each province between 1996 and 1997. The preliminary 1997 MBM thresholds were applied to 1997 income data.

Data for the MBM is being collected and validated by Statistics Canada. It is anticipated that actual MBM data will be released by Statistics Canada in Fall 2002.

EDUCATIONAL ATTAINMENT

Statistics Canada's Labour Force Survey collects information on the highest level of education achieved by various age groups. The population age group for this measure was 25-34 years old. 3,775 Alberta households were surveyed and 7,700 respondents provided information to this survey. The coefficient of variability for Alberta is +/- 2.5 percentage points and +/- 1 percentage point for the Canadian total.

LITERACY AND NUMERACY LEVELS

Students normally take the grade 9 provincial achievement test at age 14 to 15. The results are based on the number of students actually writing the tests. The provincial expectation is that 85% of the students writing will achieve the acceptable standard. Students achieving the acceptable standard demonstrate that they have met the grade level requirements for that subject. Provincial achievement tests reflect the curriculum and are developed with extensive involvement from classroom teachers, and input from other educators, business and community groups, to ensure that the standards reflect public expectations. The standards are set for each test by a committee of teachers and are then held constant by statistical methods in subsequent years.

Core Measures Methodology

APPENDIX I

FAMILY INCOME DISTRIBUTION

Based on Statistics Canada data on "economic families", who are defined as "a group of individuals sharing a common dwelling unit and related by blood, marriage (including common law relationships) or adoption." Economic family income consists of incomes received by all family members 15 years of age and over. The measure is shown in current dollars.

GROSS DOMESTIC PRODUCT

The three-year average annual growth rate is calculated using *Alberta Economic Accounts* and Statistics Canada GDP data. The growth rate for each year is calculated and the rates are averaged over a three-year period.

Alberta Economic Accounts estimates are based on data from various sources such as Statistics Canada. These estimates are revised as more recent and better data becomes available.

The GDP figure for 2000 is a forecast by Alberta Finance based on an econometric model which uses various economic indicators as input variables. Input data is obtained from the most timely and reliable sources available at the time the forecast is made. The forecast is revised as more recent and better data becomes available.

JOB GROWTH

Statistics Canada obtains information on employment growth as part of its monthly Labour Force Survey. Net employment growth is cumulative from 1996. Job growth is calculated on an annual average basis (12 month average) which is the standard method for tracking job growth.

SKILL DEVELOPMENT

Uses information from Alberta Learning's Employer Satisfaction Survey. A telephone survey of about 1500 employers who hire post-secondary graduates is conducted every two years and asks employers about their satisfaction with the skills graduates have obtained in Alberta's post-secondary system. The confidence interval for this survey is 2.5 percentage points above or below the reported results.

VALUE-ADDED INDUSTRIES

The shares of provincial GDP accounted for by the resource and manufacturing sectors are calculated using *Alberta Economic Accounts* data. The values of the primary resource sector (agriculture, fishing and trapping, forestry and mining), and the manufacturing sector, are divided by total provincial GDP (at factor cost before statistical discrepancy adjustment) to determine each sector's contribution to the Alberta's economy.

Alberta Economic Accounts estimates are based on the latest data from Statistics Canada. The industry estimates are based on projections using related indicators and are considered preliminary. The estimates could be revised if better indicators are found or if Statistics Canada revises the source data. The historical industry estimates of GDP (at factor cost) have been revised for this year's report as they are now based on the 1996 Input/Output tables. Previously, the estimates were based on the 1990 Input/Output tables.

INFRASTRUCTURE CAPACITY

Alberta Transportation (formerly Infrastructure) collects traffic volume data for Alberta primary highways. Traffic data is used to calculate the level of congestion based upon the United States Transportation Research Board's 1994 *Highway Capacity Manual* guidelines.

Core Measures Methodology

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The definitions for levels of service are outlined below:

- A Vehicles are almost completely unimpeded.
- B Ability to maneuver within traffic is only slightly restricted.
- C Freedom to maneuver within traffic is noticeably restricted.
- D Freedom to maneuver is severely limited.
- E Boundary between levels D and E describes operation at capacity. Virtually no usable gaps in traffic.
- F Breakdown or bottleneck with queuing.

The National Highway System in Alberta consists of the rural sections of the North-South Trade Corridor, TransCanada Highway 1, Highway 2 (Fort McCleod to Edmonton and Falher to west of Peace River), Highways 3, 4, and 9, Yellowhead Highway 16, and Highways 35, 43, and 49 (Valleyview to Falher). The rural national Highway System excludes the urban and fringe segments of the above highways.

Alberta Energy (formerly Resource Development) collects monthly data from Nova Gas Transmission Ltd. and Alliance Pipeline Ltd. on natural gas pipeline capacity and throughput at major export points. Capacity shortages in Alberta's internal provincial gas distribution system are supplemented by accessing export pipelines; therefore, the utilization level of the export system can affect provincial supply.

Alberta Innovation and Science collects information from Alberta universities about their sponsored research funding from all sources.

COST OF GOVERNMENT

Expresses the per capita cost of government as a percentage of the average per capita expenditure of the other nine provinces.

TAXATION LOAD

The tax load data is derived by the Federal Department of Finance using all provincial and municipal tax revenue data. Tax load is expressed as an index with the average provincial tax load equal to 100 basis points. The tax load on persons includes personal income, sales, tobacco, gasoline and diesel, and payroll taxes, and health care premiums.

PROVINCIAL CREDIT RATING

A blended rate is an average (rounded) of the domestic debt credit ratings issued by Standard and Poor's Rating Services, Moody's Investors Service Limited and Dominion Bond Rating Service.

ACCUMULATED DEBT

Accumulated debt includes the outstanding consolidated debt of the General Revenue Fund, the debt of the Alberta Social Housing Corporation (net of borrowings from the General Revenue Fund) and the government's liability for school construction debt.

Net debt is defined as the difference between the province's financial assets and its liabilities, excluding pension obligations. Assets do not include capital assets such as land and buildings, but do include external Heritage Fund investments and loans to farmers and small businesses. Liabilities include General Revenue Fund and Crown corporation liabilities, and accounts payable, less Alberta Heritage Savings Trust Fund internal debt holdings.

Core Measures Methodology

APPENDIX I

WORKPLACE CLIMATE

Human Resources Development Canada (HRDC) provides the number of person-days lost due to work stoppages for each of the 10 provinces in Canada. Strikes and lockouts involving federal government workers are excluded for inter-provincial comparison, but are included for the national rate. HRDC data include both legal and illegal strikes and lockouts.

For inter-provincial comparison of workplace injury and disease, HRDC provides an estimate of the person-days lost for each province based on the data it collects from the Workers' Compensation Board (WCB) in each jurisdiction. Changes to WCB legislation in some jurisdictions may result in variations among the data. The HRDC data include claims compensated during the reference year regardless of when the accident occurred or was reported. Injury and disease data are based on employees who are covered by the WCBs. Therefore, injury and disease data for groups such as agricultural workers are not collected.

Data from Statistics Canada Labour Force Survey and Public Institutions Division are used to calculate the person-days worked. The number of non-agricultural paid workers (less federal employment) is converted into person-days worked using the standard of 20.89 working days per month. The number of person-days lost is divided by person-days worked and multiplied by 10,000 to obtain the rates.

For the Alberta-specific time series of person-days lost to injury and disease, data are provided directly from the Alberta WCB, based on claims submitted by its clients. The Alberta WCB data include claims compensated in the reference year and up to three months after the reference year.

EXPORT TRADE

Alberta Economic Development (AED) uses Statistics Canada data to monitor the value of goods exported to other countries. Statistics Canada prepares the data monthly and publishes it in *Canadian International Merchandise Trade* (Cat. No. 65-001). The total value of Alberta's international exports is equivalent to Statistics Canada's published numbers, but the industry specific values differ because of different industry definitions, i.e., the definitions for agriculture, mining, and manufacturing & other are specific to AED but are based on both Statistics Canada and Industry Canada classifications.

CRIME RATE

Crime is defined as the total number of *Criminal Code of Canada* incidents involving youth and adults. Violent crime involves offences that deal with the application, or threat of application of force to a person. These include homicide, attempted murder, various forms of sexual and non-sexual assault, robbery and abduction. Traffic incidents that result in death or bodily harm are not included. Property crime includes incidents involving unlawful acts with the intent of gaining property but do not involve the use or threat of violence against an individual. Theft, breaking and entering, fraud and possession of stolen goods are examples of property crimes.

Crime statistics are collected using the Uniform Crime Reporting Survey, a common survey used to measure police-reported crime in each Canadian jurisdiction. Crime rates may vary owing to differences in the jurisdiction's enforcement methods, charging practices and available diversion programs, rather than the incidence of actual crime. Population data from Statistics Canada is used to convert reported crime into crime rates per 100,000 population.

Core Measures Methodology

APPENDIX I

RESOURCE SUSTAINABILITY

Timber sustainability compares the annual timber harvest with the long-term sustainable annual allowable cut (AAC) as set by the province within the Green Area. The Green Area is primarily the unsettled portion of the province defined as lands not available for agricultural development other than grazing. The AAC is the amount of timber that can be harvested on a sustainable basis within a defined planning area. (AAC is determined on either an individual forest management unit or specific forest management agreement area basis). Forest management strategies also take into account other forest uses outside of timber production.

Annual allowable cut is established taking into consideration factors such as forest inventory, growth rates, changes to reserved areas, regeneration success, natural mortality, and the impact of fire and insects/disease.

The chargeable harvest level (included in AAC) is what is reported in the timber sustainability performance measure. Fire salvage is not reported as chargeable production as it does not contribute to AAC.

Yearly harvest levels may be greater than the annual allowable cut, but harvest levels cumulated over the five-year period (sum of harvest over a five-year period) should not exceed the annual allowable cut within each planning area (expressed as five times the planning area AAC). All Alberta timber dispositions greater than one year in term are balanced over five-year periods. In the case of coniferous quotas (28% of Green Area conifer annual allowable cut), these five-year periods are called quadrants. Quota holders have the flexibility to harvest any or all of their entire quadrant allowable cut (five years times their annual allotment) in any one year or combination of years within that quadrant. Similarly, forest management agreement holders, who make up 65% of Green Area conifer annual allowable cut, utilize five-year cut control periods. As a result of the flexibility allowed to quota and forest management agreement holders, harvest levels and annual allowable cuts are compared on a five-year rolling average basis.

Comparative data may change between reporting years primarily as a result of production audits that are carried out at the conclusion of each five-year planning period.

Crop yields are collected by the Agriculture Division of Statistics Canada and Alberta Agriculture, Food and Rural Development for the various crops and are converted to a standard base of tonnes per acre of wheat.

AIR QUALITY

The measure is based on data collected from nine continuous monitoring stations across the province - three stations in both Edmonton and Calgary, and one station in each of Red Deer, Fort McMurray and Fort Saskatchewan. The data from these stations is used to calculate the Index of Quality of Air (IQUA) every hour.

The IQUA is based on outdoor concentrations of five major air pollutants (carbon monoxide, the dust and smoke, nitrogen dioxide, ozone, and sulphur dioxide). The concentration of each pollutant is converted to an IQUA number, and the highest number is the IQUA for that station. IQUA ratings are divided into Good, Fair, Poor and Very Poor categories. These categories are derived using formulas based on air quality guidelines of the *Alberta Environmental Protection and Enhancement Act* and the National Air Quality Objectives.

Core Measures Methodology

APPENDIX I

WATER QUALITY

Monthly water quality samples are collected at two locations for each of the province's six major river systems. An index value is calculated for each of four variable groups for data collected between April and March, representing both a fiscal and a "water" year:

- **Metals** (up to 22 variables measured quarterly);
- **Nutrients** (6 variables measured monthly, includes oxygen and pH);
- **Bacteria** (2 variables measured monthly); and
- **Pesticides** (up to 17 variables measured quarterly).

Index values for the four variable groups are then averaged to produce an overall index of surface water quality that can be tracked over time.

The formula used to calculate index values for each group is based on three statistical attributes of water quality with respect to desirable levels (defined by water quality guidelines in most cases):

- **Scope** – the total number of water quality variables that do not meet guidelines
- **Frequency** – the number of individual measurements for all variables combined that do not meet guidelines
- **Amplitude** – the amount by which measurements do not meet guidelines

Variables in the first three groups are compared to guidelines listed in *Surface Water Quality Guidelines for Use in Alberta*. Where a number of guidelines exist for one variable, the guideline for the most sensitive use (recreation, agriculture, or the protection of aquatic life) is chosen. Drinking water guidelines are not considered, since surface water should not be used for drinking without first being treated.

Variables in the fourth group (pesticides) are evaluated based on whether or not they can be detected in a water sample. This conservative approach was adopted because some pesticides do not yet have official guidelines and, unlike metals, nutrients and bacteria, do not occur naturally in the environment.

This index was first reported in *Measuring Up 2000*. This year, the calculations have been modified to reduce the impact that particulate aluminium, a metal naturally found in soils, has on the index value under high flow conditions. The index is now calculated using dissolved aluminium values only. Index values have been recalculated for previous years to reflect this change. As well, the five water quality categories have been revised by increasing the lower limit of each by one point (e.g. the lower limit for "Excellent" has been raised from 95 to 96, etc.).

LAND QUALITY

Crop yields are collected by the Agriculture Division of Statistics Canada and Alberta Agriculture, Food and Rural Development for the various crops and are converted to a standard base of tonnes per acre of wheat.

HERITAGE APPRECIATION

Alberta Community Development manages the parks and protected areas network (formerly the responsibility of Alberta Environment) consisting of provincial parks, ecological reserves, wilderness areas, wildlands, natural areas and provincial recreation areas. Visitation statistics are collected by the ministry for provincial parks and provincial recreation areas only. The ministry collects visitation statistics through camping permit sales and automatic traffic counter readings. Adjustments to these readings are based on periodic surveys of visitors. Estimated use figures based on prior years' data are used for calculating some of the parks visitation data; for the most recently reported 1999-2000 results, approximately 47% of the visits to provincial parks and provincial recreation areas were reported using the estimated data. Reporting parks visitation demonstrates the unique data collection circumstances at camping, group camping, day use, and fixed roof accommodation sites. Parks visitation rates can be influenced by factors such as weather patterns, fire bans, and closures due to wildlife or road construction.

Visitation data for historic sites, museums and interpretive centres is collected by Alberta Community Development for 18 provincially operated historic sites, museums and interpretive centres. Visitation is estimated at some sites to accommodate the unique circumstances at each facility, such as differences in location of the admissions facility or access after regular opening hours. Visitation to other Alberta museums is not reflected in these rates.

INTERGOVERNMENTAL RELATIONS

Environics Research Group Ltd. conducts a quarterly national opinion poll surveying the views of Canadians regarding the performance of their provincial and federal government in various areas of governance. The results are reported in the *Focus Canada Report*. Albertans are specifically asked to rate their approval or disapproval of the way their government (both their provincial government and the federal government) is handling federal-provincial relations. The average of the four quarterly surveys shows the percentage of Albertans approving of their respective government's performance.

The margin of error for a stratified probability sample of the size used for the survey is +/- 2.2 percentage points, 19 times out of 20. The approximate margin of error is greater for results pertaining to each of the provinces. For the March 2000 survey, the margin of error for each of the provinces is; Ontario (3.9), Manitoba (8.5), Saskatchewan (8.5), Alberta (6.6) and British Columbia (6.1), 19 times out of 20.

ABORIGINAL WELL-BEING

The data on employment rates and high school completion are taken from the 1991 and 1996 Canadian Censuses, published by Statistics Canada. Data on life expectancy is calculated and published by Indian and Northern Affairs Canada. Alberta-specific data on life expectancy will not be available until 2005.

Government of Alberta Business Plan 2000–03

New Century – Bold Plan

BEGINNING A NEW CENTURY

It's a new century … a new beginning. With that comes a natural tendency to look back and assess the achievements of the past, but also to look ahead, to anticipate trends, and set bold new plans for the future.

Today, Alberta stands at the crossroads. We're leaving behind a century that saw the birth of the province, the hard work and determination of our early pioneers, the development of one of Canada's strongest agricultural industries, the discovery of oil and the extraction of oil from the tar sands, the subsequent diversification of our economic base, building leading edge education and health systems, and welcoming thousands of people from across Canada and around the world. It's been an exciting century for Alberta.

Now we look ahead to a new century … a century of untold promise.

It's time to shift our focus to the future. While there is much to celebrate about Alberta's first century, there are challenges ahead and new opportunities to address. Meeting those challenges will demand the bold approach Albertans are known for across Canada.

Alberta is uniquely positioned to take advantage of the opportunities a new century brings. From our early pioneers, we learned that sheer determination and hard work are key to success. In business and industry, we learned that innovation and new ideas bring a solid competitive advantage. In health, education and other key areas of the public sector, we learned that people make the difference – highly skilled and committed teachers, educators, doctors, nurses, health providers and dedicated public servants.

Through some difficult financial times, we learned that making tough decisions, spending only what you can afford, and paying down debt is the best long term strategy. From Albertans, we learned the importance of being bold, not settling for the status quo, tackling issues head on, and caring for each other, especially those who need our help.

With these lessons in mind, it's time to set bold new plans for the future. It's time to close one chapter in the history books and open the next.

BOLD NEW PLANS

As we begin a new century, Alberta faces a number of challenges.

- A tough, competitive global economy
- Addressing the increasing importance of knowledge and innovation
- Continuing pressures on the health system and the need to try new approaches
- Creating an environment for Alberta's children to get an excellent start in life in safe, happy and healthy families and communities
- Building opportunities for young people to learn, expand their skills and build their futures here in Alberta

To address those challenges, the government will put bold new plans in place, plans that are based on clear principles.

- Fiscal responsibility – managing the province's resources wisely, paying down debt and keeping taxes low
- Innovation – trying new ideas, seeking new solutions, and making changes that benefit the province and Albertans
- Equity – ensuring fairness for all Albertans and respect for diversity of culture, age, and gender
- Balance – balancing development and sustainability, saving and spending

These principles of fiscal responsibility, innovation, equity, and balance are the foundation of the business plan and are addressed in both parts of the plan. Together, the first part, a series of goals and strategies undertaken by individual ministries and the second, a collection of four cross-government initiatives represent the combined three-year plan of the Alberta government.

The cross-government initiatives engage people from various ministries in finding innovative, effective and productive ways of meeting people's needs. This cooperative approach recognizes the reality that many issues are not isolated to a single ministry. The initiatives include:

1. the Economic Development Strategy
2. the Aboriginal Policy Initiative
3. the Alberta Corporate Service Centre Initiative
4. the Corporate Human Resource Development Strategy

Overall, the business plan will focus this government's efforts for the next three years in five critical areas:

- agriculture
- our economy
- education
- taxes
- health care

ADDRESSING A CHANGING AGRICULTURAL INDUSTRY

Farming has been at the heart of Alberta's economy for the past century and we need concerted efforts to preserve that tradition for tomorrow's generation of farmers. Today's agricultural industry is going through significant changes and difficult times. Some family farms are finding it difficult to survive. Low world commodity prices, rising costs of production and unfavourable trade practices in other countries are putting pressure on the agricultural industry in Alberta and all prairie provinces. Highly competitive markets mean agricultural producers continually need to search for new, value-added products and new marketplaces to sell their goods.

There are no easy solutions. As a critical step, an Agriculture Summit will be held in the spring of 2000. That Summit will lay the groundwork for future actions to preserve Alberta's farm economy. A comprehensive review of the crop insurance program will be undertaken, innovative business opportunities will be supported, and efforts to open up new markets for value-added products will be expanded.

The provincial government will also work with the federal government to advance the interests of Alberta's agricultural producers in improved trade rules and access to markets.

IMPLEMENTING A NEW ECONOMIC DEVELOPMENT STRATEGY

In positioning the province for continued prosperity, Alberta faces a fiercely competitive, global marketplace. People, business and investment are highly mobile and can move quickly to wherever they get the best advantage or return on their investment. Knowledge and innovation are replacing assembly line factories and manual labour as the critical components of thriving economies around the world.

To address those challenges, government will move forward on a new economic development strategy. *Get Ready Alberta* is designed to do just that – to get the province and the people ready for a very different economy, the economy of the future.

The new strategy will focus the province's efforts in four key areas:

- **Unleashing innovation** – making Alberta a world leader in innovation, research, development and commercialization of new ideas. A new Alberta Heritage Foundation for Science and Engineering Research is a key step in attracting research and development to the province.
- **Leading in learning** – ensuring that all Albertans have the opportunities to learn, adapt and develop new knowledge and new skills. Expanded access to high speed Internet connections will give people access to learning any time, anywhere.
- **Competing in a global marketplace** – taking steps so that Alberta is internationally recognized as a good place to invest and do business and Alberta businesses compete and succeed in a global marketplace. Steps will be taken to implement a new International Strategy.
- **Making Alberta the best place to live, work and visit** – ensuring that Albertans enjoy an unmatched quality of life in a province that's recognized as the best place to live, work and visit. Alberta's tourism industry will be expanded, steps will be taken to protect and sustain Alberta's environment, and the diversity and excitement of Alberta's culture, arts, sports, festivals and volunteer spirit will be promoted.

A key target of the new strategy is to create a climate that will see 295,000 new jobs created in the province by December 2005.

PROVIDING EXCELLENT EDUCATION AND TRAINING

It is of utmost importance that Alberta's children and youth have opportunities to learn, achieve and take their place in a highly competitive global marketplace.

This business plan will help pre-school children get a healthy start in life as we follow through on the recommendations of the Children's Forum and the Premier's Task Force on Children at Risk.

Once they start school, our aim is to ensure that children receive the best education in Canada. At the basic education level, work will focus on addressing class size and services for special needs students. A review of fundraising and school fees will be undertaken. The new Alberta Initiative for School Improvement will support projects designed to improve student learning. A new information and communications technology program will be introduced.

At the post-secondary level, opportunities for students will be increased by supporting additional places in colleges, universities and technical institutes and expanding apprenticeship opportunities. Additional funding will be provided to ensure that students have the financial support they need to complete their education. That will include increased funding for student awards, extended eligibility for an interest relief program, and a new scholarship for second year post-secondary students.

MAINTAINING ALBERTA'S TAX ADVANTAGE

Albertans pride themselves on paying the lowest taxes in Canada. But it is critical that we maintain this advantage and position Alberta to compete not only with other provinces but also with our competitors in the United States and around the world.

The provincial government has taken important steps in the past few years to lower taxes. Ultimately, tax dollars belong not to government but to the people who pay them. Those dollars are entrusted to government to support programs Albertans value.

As part of this business plan, government will move forward with plans to reform the personal income tax system, introducing a new single rate tax on income and providing a financial benefit to Alberta families. In January this year, we removed the surtax. That will be followed by comprehensive legislation introducing a new tax system – a system that will result in 132,000 low income Albertans paying no provincial income tax whatsoever.

Plans will proceed for reducing education property tax rates and a longer term review and consultation on education property taxes will be completed. In addition, business taxes in the province will be reviewed by the Alberta Business Tax Review Committee to see how Alberta's taxes stack up against the competition and to recommend changes.

SUSTAINING ALBERTA'S HEALTH SYSTEM

Health care is the number one concern of Albertans and a major issue facing all Canadians.

Alberta's population is growing and aging. New technologies, treatments and medications add to the cost of maintaining the health system. Today, one out of every three dollars the provincial government spends goes to health care. We have a good health care system. But simply doing more of the same will not be sufficient to address the mounting pressures of today or sustain the system for future generations of Albertans.

In this business plan, government commits to a comprehensive six-point plan.

1. **Improve access to publicly funded health services**

   Government will continue to ensure that the health system is properly funded. Over the next three years, spending on health will continue to increase. The additional money will be used to hire more nurses and other health providers, to recruit more doctors and increase residency positions in medical schools, to reduce waiting lists for heart surgery, joint replacements, cancer treatment and neurosurgery, and to open more long term care beds.

2. **Improve management of the health system**

   A new Health Services Utilization Commission will monitor and assess the health system's performance and recommend improvements.

3. **Improve the quality of health services**

   Building on a number of pilot projects across the province, steps will be taken to expand primary care. These new approaches will improve access to doctors, reduce pressures on hospital emergency wards, and provide community-based clinics with access to teams of health professionals and others who can help meet people's needs. Greater partnership and teamwork among health professionals will be encouraged and discussions will begin this year on ways of using nurse practitioners in new and creative ways.

4. **Emphasize promotion of good health and prevention of illness and injury**

   A new immunization plan and province-wide screening programs for breast cancer, cervical cancer and inherited disorders of metabolism in newborns will be critical components of new plans to promote good health.

5. **Foster new ideas**

   Continuing innovation is critical to the future of Alberta's health system. A new Premier's Advisory Council on Health will bring forward the best new ideas and approaches from across Canada and around the world on how we can maintain our public health system.

6. **Protect public health care**

   Legislation will be introduced to protect Alberta's publicly funded health system. Clear rules will be put in place for contracting out certain surgeries that require overnight stays.

LOOKING AHEAD WITH CONFIDENCE

Looking ahead, Alberta is well poised to continue our tradition of hard work, drive and determination. We have every reason to look forward to the future – to a new century – with the confidence that we will tackle whatever challenges come our way and succeed. The business plans of ministries, which are also contained in this volume, detail the actions government will take to meet these challenges.

APPENDIX II

GOALS AND STRATEGIES

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This symbol denotes a key cross-government initiative. For details of these initiatives, see pages 164 to 167.

Government's actions are focused on three core businesses: People, Prosperity and Preservation. Goals have been set for each of the core businesses. The following section outlines those goals and provides the key strategies that will be used to achieve each goal. More information about strategies and action plans is included in the business plans of individual ministries.

PEOPLE . . .

Goals 1 to 5 are people goals, focusing on helping people to be self-reliant, capable and caring through:

- a healthy society and accessible health care
- basic support and protection for those in need
- lifelong learning
- excellent schools, colleges, universities and training institutes
- supportive families and compassionate communities

GOAL 1 ALBERTANS WILL BE HEALTHY

• ensure Albertans get the care they need through accessible high quality health services	HW
• prepare for future health needs through ongoing innovation, integration and coordination in health service delivery	HW
• provide more services to people where they need them – in their communities and in their homes	HW
• improve accountability and results in the health care system through clear expectations and better information	HW

Key:

AEDA	Alberta Economic Development Authority	INFRA	Infrastructure
AFRD	Agriculture, Food and Rural Development	IS	Innovation and Science
CD	Community Development	JUS	Justice and Attorney General
CS	Children's Services	LEARN	Learning
ED	Economic Development	MA	Municipal Affairs
ENV	Environment	NADC	Northern Alberta Development Council
GAMING	Gaming		
GS	Government Services	PAB	Public Affairs Bureau
HRE	Human Resources and Employment	PAO	Personnel Administration Office
HW	Health and Wellness	RD	Resource Development
IIR	International and Intergovernmental Relations	TREAS	Treasury

• focus on long-term health gains through increased emphasis on programs to prevent illness and injury, and protect and promote good health, as well as healthy active lifestyles	CD, ENV, HRE, HW, PAO

GOAL 2 OUR CHILDREN WILL BE WELL CARED FOR, SAFE, SUCCESSFUL AT LEARNING AND HEALTHY

• continue implementation of the Alberta Children's Initiative with an emphasis on cross-government initiatives to improve supports and resources to children	CD, CS, HRE, HW, LEARN, IIR, JUS
• support Child and Family Services Authorities in the delivery of community-based, integrated services to children and families, with an emphasis on early intervention and on meeting the needs of Aboriginal children	CD, CS, HW, LEARN, IIR, JUS
• provide integrated health and related support services in schools to students with special health needs	CS, HW, LEARN
• continue to promote the Alberta Child Health Benefit which provides low-income families with the prescription drugs, dental, optical, and ambulance services that their children require	HRE
• introduce health strategies to address priority health issues, including low birth weight babies	CS, HW

GOAL 3 ALBERTA STUDENTS WILL EXCEL

• enhance school-readiness opportunities for children from birth to three years of age	LEARN
• build a solid foundation for learning by focusing on early grades	LEARN
• improve student learning by implementing the Alberta Initiative for School Improvement with partners	LEARN
• meet diverse learner needs by expanding the variety of learning opportunities	LEARN

• ensure that students' financial needs are not a barrier to learning	LEARN
• expand opportunities for youth to develop career preparation and employability skills	HRE, LEARN
• improve assessment of learner achievement as well as other results from Alberta's learning system	LEARN

GOAL 4 ALBERTANS WILL BE INDEPENDENT

• improve transitions for youth among school, further learning and work	HRE, LEARN
• develop additional cross-government strategies through the People and Prosperity Initiative that help Albertans contribute to and share in Alberta's economic prosperity	HRE, ED, LEARN, all ministries
• ensure up-to-date information is available to young people on labour market needs, career preparation and opportunities for further learning	HRE, LEARN
• continue efforts to get social assistance clients into the workforce by improving training programs and providing appropriate financial and health benefits	HRE

GOAL 5 ALBERTANS UNABLE TO PROVIDE FOR THEIR BASIC NEEDS WILL RECEIVE HELP

• redesign benefits to assist better those Albertans who are unable to provide for their basic needs and require financial assistance	HRE
• support the work of the Persons with Developmental Disabilities Board in meeting the needs of adults with developmental disabilities	HW
• provide financial assistance to lower-income seniors through the *Alberta Seniors Benefit* and *Special Needs Assistance for Seniors* programs	CD
• facilitate the provision of appropriate housing for Albertans most in need	CD

• conduct a review of the impact of an aging population and the effects on provincial programs and services	CD, HW
• develop a strategy on homelessness in conjunction with municipal governments, local authorities, community groups and the private sector	CD, HRE, HW

PROSPERITY . . .

Goals 6 to 13 focus on promoting prosperity for Alberta through:

- a dynamic environment for growth in business, industry and jobs
- a highly skilled and productive workforce
- open markets in Canada and internationally for trade and investment
- new ideas, innovation and research
- an open and accountable government that lives within its means
- an efficient system of roads, highways, utilities and public spaces

GOAL 6 ALBERTA WILL HAVE A PROSPEROUS ECONOMY

see page 164

• continue to promote the Alberta Advantage	all ministries
• *implement the new Economic Development Strategy to enable Albertans to meet future economic challenges*	ED, IS, LEARN, all ministries
• encourage investment and economic activity by maintaining a globally competitive tax regime	AEDA, ED, IS, TREAS
• reward personal initiative by cutting taxes and implementing Alberta's new personal income tax system on January 1, 2001	TREAS
• undertake a business tax review to ensure business taxes are competitive	TREAS
• work with industry to attract domestic and international investment	AEDA, AFRD, ED, IIR, IS
• support the expansion of Alberta's tourism industry and promotion of Alberta as a world-renowned tourism destination	AEDA, CD, ED
• encourage communities to work with partners to create and implement viable local and regional economic development plans	AEDA, AFRD, ED, ENV, IIR, MA, NADC

• improve the ability of start-up and early stage companies to access the capital they need to get their businesses up and running	AEDA, AFRD, ED, IS
• remove barriers to national and international trade and investment so Alberta businesses can compete in new markets	AFRD, ED, IIR

GOAL 7 OUR WORKFORCE WILL BE SKILLED AND PRODUCTIVE

• improve Albertans' ability to enter the workforce and keep pace with changing skill needs	AEDA, AFRD, ED, HRE, LEARN, PAO
• establish and maintain a balanced long-term program of science and engineering research through the Alberta Heritage Foundation for Science and Engineering Research (AHFSER)	IS
• remove barriers that prevent people from moving easily from job to job or place to place in order to work	AEDA, ED, HRE, IIR, LEARN, NADC, PAO
• *maximize the efficiency and effectiveness of human resource management in the Alberta Public Service through continued implementation of the Corporate Human Resource Development Strategy*	PAO, all ministries
• improve the knowledge and skills of Alberta youth, particularly as they relate to employability and the transitions between learning and work	AFRD, CD, HRE, LEARN
• strengthen connections between school and workplace learning	AFRD, CD, HRE, LEARN
• expand training opportunities in information technology, communications and nursing	LEARN

see page 167

GOAL 8 ALBERTA BUSINESSES WILL BE INCREASINGLY INNOVATIVE

• expand Alberta's focus on research, knowledge and technology that results in viable commercial products, processes and services	AFRD, ED, IS, RD

• encourage the innovative application of new technologies by resource-based industries to sustain future competitiveness and resource bases	AEDA, AFRD, ED, RD
• encourage the development of private sector laboratories for food production and processing	AFRD, ED, IS

GOAL 9 ALBERTA'S VALUE-ADDED INDUSTRIES WILL LEAD ECONOMIC GROWTH

• use technology in targeted sectors to expand Alberta's value-added industries	AEDA, AFRD, ED, IS, RD
• expand Alberta's economy by defining and taking action on key science and technology priorities	ED, IS, RD
• expand in-Alberta opportunities for secondary processing of renewable and non-renewable resources	AEDA, AFRD, ED, RD
• facilitate the growth of value-added industries, especially in the agri-food, energy and forestry sectors	AFRD, ED, IIR, IS, NADC, RD

GOAL 10 ALBERTA WILL HAVE EFFECTIVE AND EFFICIENT INFRASTRUCTURE

• implement initiatives to ensure effective and innovative capital planning and funding of government supported infrastructure through the Capital Planning Initiative	INFRA, TREAS, all ministries
• promote cooperative initiatives among business and industry, government and municipalities to address the need for infrastructure development	AEDA, CD, ED, GAMING, INFRA, MA, NADC
• facilitate trade by improving key highway routes including the North-South Trade Corridor	INFRA
• work with local governments to strengthen rural and urban transportation partnerships and ensure that Alberta has a safe and efficient system of roads	INFRA, MA
• complete restructuring of Alberta's electric industry and manage the transition to a deregulated market	RD

• protect Alberta's multi-billion dollar investment in physical infrastructure for educational institutions, health care, seniors' housing, irrigation, water management and other government programs through appropriate maintenance and upgrading	AFRD, CD, ENV, HW, LEARN, INFRA, MA
• develop a high speed, provincial technology network that will ensure high speed Internet and wide-area network availablility so that all Albertans can access government services	GS, HW, IS, all ministries
• develop and implement advanced telecommunications, infrastructure management, and information management systems for improved communications and service delivery	CD, GS, HW, INFRA, IS, LEARN, TREAS

GOAL 11 ALBERTA WILL HAVE A FINANCIALLY STABLE, OPEN AND ACCOUNTABLE GOVERNMENT

• continue to implement current fiscal policies of balancing the budget, orderly paydown of debt, low taxes, targeted spending and capital planning	TREAS
• eliminate unnecessary regulations	all ministries
• provide regular reports to Albertans on government goals, as well as financial and non-financial performance results	all ministries
• provide efficient management of government resources and communications	INFRA, IS, PAO, TREAS
• *improve the efficiency and cost effectiveness of Alberta government administrative services by implementing the Alberta Corporate Service Centre Initiative*	all ministries
• improve Albertans' access to government information and services through the "one window access to services" project	GS, IS, all ministries
• meet Albertans' requested needs for more information on government programs and services, and make it easier for them to give their feedback and opinions	all ministries

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GOAL 12 ALBERTA WILL HAVE A FAIR AND SAFE WORK ENVIRONMENT

• promote high standards in the workplace for labour relations and workplace health and safety	HRE, PAO
• support community organizations undertaking educational initiatives to promote fairness and access, and increase understanding of the growing diversity in Alberta society	CD

GOAL 13 ALBERTA BUSINESSES WILL INCREASE EXPORTS

• implement Alberta's International Marketing Strategy to focus trade and investment efforts in targeted regions and industries	AFRD, ED, IIR, IS, RD
• improve Alberta's ability to compete and do business in global markets by expanding Albertans' understanding of world languages and cultures	AEDA, ED, LEARN, IIR
• provide Alberta businesses with information/ intelligence to identify emerging opportunities and enhance market access	AFRD, ED
• coordinate Alberta's participation in strategic international relationships and agreements with key trading partners	ED, IIR

PRESERVATION . . .

Goals 14 to 19 focus on preserving the Alberta tradition of:

- a safe society where justice prevails
- a clean environment
- strong values and culture
- pride in Alberta and strength within Canada
- strong communities

GOAL 14 ALBERTA WILL BE A SAFE PLACE TO LIVE AND RAISE FAMILIES

• protect human rights for all Albertans through the resolution of complaints made under the *Human Rights, Citizenship and Multiculturalism Act*	CD
• augment existing crime prevention programs and review police recruitment and training	JUS

• enhance services for victims of crime	JUS
• expand youth justice initiatives including the *Alternative Measures Program* and *Intensive Support and Supervision Program* as alternatives to traditional justice sanctions	JUS
• improve the efficiency of the regulatory process through implementing the *Fair Trading Act*	GS
• improve traffic safety through driver education, road safety awareness and compliance	INFRA
• assist municipalities in preparing for emergencies and responding to major disasters	ENV, MA

GOAL 15 ALBERTA'S NATURAL RESOURCES WILL BE SUSTAINED

• provide clear, effective direction and guidelines for the use, management, regulation and development of Alberta's renewable and non-renewable resources	AFRD, ENV, RD
• reduce the impact of natural hazards such as fire, drought, flood and pests on people, property and resources	AFRD, ENV
• implement a long-term, environmentally-sustainable approach to agriculture and forest industry development that supports stable economic growth	AFRD, RD

GOAL 16 THE HIGH QUALITY OF ALBERTA'S ENVIRONMENT WILL BE MAINTAINED

• ensure standards are acceptable to maintain the quality of air, land, water and ecosystems	ENV
• ensure public accountability for environmental management by clearly defining roles and responsibilities of federal and provincial governments, as well as industry	AEDA, ENV, IIR, RD
• provide predictable, consistent, and streamlined regulations for land use and resource management	AEDA, AFRD, ENV, RD

• maintain current levels of public safety, resources, conservation and environmental protection through effective environmental monitoring and enforcement programs	AFRD, ENV, RD
• reduce Alberta's greenhouse gas emissions by developing climate change policies and programs while maintaining Alberta's economic advantage	ENV

GOAL 17 ALBERTANS WILL HAVE THE OPPORTUNITY TO ENJOY THE PROVINCE'S NATURAL, HISTORICAL AND CULTURAL RESOURCES

• support and encourage the development of arts and culture as essential characteristics in Alberta's quality of life	CD, GAMING
• preserve, protect and present Alberta's unique cultural and natural history through programs, exhibits, historic sites and museums	CD
• coordinate and support a province-wide library system and continue the development of the Alberta Public Library Electronic Network	CD, LEARN
• protect and manage Alberta's parks and natural reserves	ENV
• improve Albertans' understanding of their environment	ENV
• provide Albertans with opportunities to contribute to environmental protection and natural resource management	ENV

GOAL 18 ALBERTA WILL WORK WITH OTHER GOVERNMENTS AND MAINTAIN ITS STRONG POSITION IN CANADA

• improve fiscal arrangements to ensure that federal revenues are shared fairly among the provinces	IIR, TREAS
• ensure Alberta's interests are represented and protected in key federal programs and initiatives, and interprovincial and international negotiations	IIR
• participate fully in discussions across Canada on Aboriginal self-government	IIR

• work in partnership with local governments to promote healthy and sustainable communities throughout Alberta	CD, ED, MA, GAMING
• continue to promote a strong and united Canada	all ministries

GOAL 19 THE WELL-BEING AND SELF-RELIANCE OF ABORIGINAL PEOPLE WILL BE COMPARABLE TO THAT OF OTHER ALBERTANS

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• *improve Aboriginal well-being and self-reliance by developing government-wide and ministry-specific strategies and reporting on results*	CS, HRE, IIR, JUS, RD
• *increase Aboriginal participation in the benefits of economic development by developing government-wide and ministry-specific strategies and reporting on results*	CS, HRE, IIR, JUS, RD
• *propose strategies to reduce the gaps and overlaps among federal, provincial and community programs, services and funding for the Aboriginal community*	CS, HRE, IIR, JUS, RD

APPENDIX II

GOVERNMENT BUSINESS PLAN 2000-03

Goals, Performance Measures, and Targets

Goals	Measures	Targets
People		
1. Albertans will be healthy.	• Life Expectancy at Birth • Health Status	• Maintain or improve current life expectancy at birth and be among the top 10 countries in the world. • 70% of Albertans aged 18-64 rate their health as very good or excellent, and 75% of Albertans aged 65 and over rate their health as good or better.
2. Our children will be well cared for, safe, successful at learning and healthy.	• Economic Status of Children	• To be established.
3. Alberta students will excel.	• Educational Attainment	• By 2003, 90% of Albertans aged 25-34 will have completed high school, and 60% will have completed post-secondary education. Maintain or improve inter-provincial ranking.
4. Albertans will be independent.	• Literacy and Numeracy Levels • Family Income Distribution	• 85% of Grade 9 students meet the acceptable standards in math and language arts. • Reduce the percentage of families with income under $20,000 to 5% by 2007.
5. Albertans unable to provide for their basic needs will receive help.	• Economic Status of Albertans	• To be established.
Prosperity		
6. Alberta will have a prosperous economy.	• Gross Domestic Product • Job Growth	• 3 year annual average GDP growth rate of 4 to 6%. • 155,000 new jobs from December 1996 to December 2000, followed by a target of 295,000 in the 6 years ending December 2005.
7. Our workforce will be skilled and productive.	• Skill Development	• 90% of employers satisfied with recent graduates' skill levels.
8. Alberta businesses will be increasingly innovative.	• Business Innovation	• To be established.
9. Alberta's value-added industries will lead economic growth.	• Value-Added Industries	• Alberta's value-added industries will account for an increasing percentage of GDP.
10. Alberta will have effective and efficient infrastructure.	• Infrastructure Capacity	• 95% of rural sections of the National Highway System at level of service B or better, export gas pipeline capacity will exceed demand, and continue to increase business and non-profit sponsored research.
11. Alberta will have a financially stable, open and accountable government.	• Taxation Load • Provincial Credit Rating • Accumulated Debt • Cost of Government	• Maintain the lowest tax load on persons and the lowest provincial income tax rate in Canada. • The highest credit rating among the provinces. • Reduce the 1999-2000's accumulated debt by 13% by 2004-05 and eliminate it by 2024-25. • Remain 5% below the average of the other nine provinces.
12. Alberta will have a fair and safe work environment.	• Workplace Climate	• The rate of person-days lost to work stoppages and injury and disease will be among the three lowest of all the provinces.
13. Alberta businesses will increase exports.	• Export Trade	• Increase exports to $39.6 billion by 2000.
Preservation		
14. Alberta will be a safe place to live and raise families.	• Crime Rate	• Reduce Alberta's crime rates below the national average by 2000.
15. Alberta's natural resources will be sustained.	• Resource Sustainability	• Prolong the reserve life of oil and gas; keep timber harvest below the annual allowable cut; increase crop yields to 0.98 tonnes per acre by 2000.
16. The high quality of Alberta's environment will be maintained.	• Air Quality • Water Quality • Land Quality	• Maintain air quality levels that are considered good or fair at all times. • Bring river water quality downstream of developed areas in line with upstream conditions, while maintaining overall river water quality. • Increase crop yields to 0.98 tonnes per acre by the year 2000.
17. Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources.	• Heritage Appreciation	• 1.1 million visitors per year to historic sites and museums, and 8 million visitors per year to provincial parks and recreation areas.
18. Alberta will work with other governments and maintain its strong position in Canada.	• Intergovernmental Relations	• Maintain Alberta government's public approval rating in federal-provincial relations equivalent to the average approval rating of four nearest provinces.
19. The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans.	• To be developed.	• To be established.

CROSS-GOVERNMENT INITIATIVES

Initiative	**Government Business Plan Goal**	**Ministry Champions**	**Strategies**	**Results/Targets**
1. **Economic Development Strategy** **Overall Goal:** A future of boundless opportunity in a province that's unmatched.	**Goal 6:** Alberta will have a prosperous economy.	Economic Development Innovation and Science Learning	1. Ensure that *Get Ready Alberta* provides direction to existing government processes and activities.	• A report reconciling Ministry business plans, other cross-government initiatives and the government business plan with *Get Ready Alberta* and: • Identify specific initiatives that directly fulfill goals and strategies in *Get Ready Alberta*, and • Identify possible gaps between strategies in *Get Ready Alberta* and government and ministry business plans.
			2. Increase awareness of *Get Ready Alberta* and its messages about strengthening the Alberta Advantage among Albertans.	• Increased awareness (establish awareness benchmark, set targets, measure awareness against target).
			3. Provide an annual overview on the progress to date in achieving selected targets of *Get Ready Alberta*.	2000 Targets Goal: **Unleashing innovation** • Access to high speed internet able to support video and multimedia: target to be established once baseline data are available. • Employment growth in the information and communications technology (ICT) sector: 5,000 to 10,000. • Research and development investment: $900 million to $1.0 billion. Goal: **Leading in learning** • 35% of Albertans participating in post-secondary education. • 70% high school completion rate. • 26% student enrollment in a second language. • 80% of participants in training indicate they obtained an improved education or skill level. Goal: **Competing in a global marketplace** • 47,000 new jobs. • Progress on Alberta's debt load will be reported annually. • Value-added international exports reach $16.5 billion; 42% of total exports. • Four-laning of North-South trade corridor (Grande Prairie to Coutts): 69% complete. Goal: **Making Alberta the best place to live, work and visit** • Tourism revenues: $4.5 billion. • Percentage of Albertans rating health status as excellent or very good will continue to exceed the Canadian average. • Municipalities connected to the Internet: 95%. • Workplace safety: person-days lost due to workplace injury and illness continue to be among 3 lowest provinces in Canada. • Crime Rate – incidence of crime per 100,000 population below the national average.

APPENDIX II

Initiative	**Government Business Plan Goal**	**Ministry Champions**	**Strategies**	**Results/Targets**
2. **Aboriginal Policy Initiative** **Overall Goal:** To improve the well-being and self-reliance of Aboriginal people and communities.	**Goal 19** The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans.	International and Intergovernmental Relations Children's Services Resource Development Justice	• Revise proposed Aboriginal Policy Framework for submission to Cabinet.	Specific performance targets and measures to track progress of this initiative are under development. The milestones set out below mark the significant implementation steps during the early development phases of this initiative: • Cabinet approval of an Aboriginal Policy Framework (April 2000).
			• Develop government-wide and department-specific strategies, performance measures and data collection to improve the well-being and self-reliance of Aboriginal people and communities.	• Identification of Aboriginal data gaps and proposed short-term and long-term data solutions (report February 2001); • Identification of performance measures for 2001-2002 (September 2000); • Approval of long-term data solutions, and development of data strategies (March 2001); • Approval of government-wide and department-specific strategies and performance measures in support of improved well-being and self-reliance of Aboriginal people and communities (March 2001).
			• Develop government-wide and department-specific strategies and performance measures to increase participation in the benefits of economic development by Aboriginal people and communities.	• Approval of government-wide and department-specific strategies and performance measures in support of enhanced Aboriginal participation in the benefits of resource and economic development (December 2001). • Development of proposed strategies to increase participation in the benefits of resource development by Aboriginal people and communities (February 2001); • Development of appropriate consultation procedures with respect to resource development on Crown land (February 2001); • Development of proposed guidelines for traditional use studies (February 2001).
			• Propose strategies to reduce the gaps and overlaps among federal, provincial and community programs, services and funding for the Aboriginal community.	• Inventory of provincial government programs, services and funding for the Aboriginal community in Alberta (September 2000); • Analysis of gaps and overlaps in provincial, federal, municipal and Aboriginal community programs, services and funding in Alberta and identification of recommendations for action (January 2001).

Government of Alberta Business Plan 2000–03

APPENDIX II

Initiative	Government Business Plan Goal	Ministry Champions	Strategies	Results/Targets
3. Alberta Corporate Services Centre Initiative **Overall Goal:** To create and implement a premier shared services model in Alberta that has a strong corporate culture, significant cost savings and reinvestment opportunities, increased efficiencies in service delivery, effective business partnerships, and one that promotes innovation.	**Goal 11:** Alberta will have a financially stable, open and accountable government.	Gaming Agriculture, Food and Rural Development Personnel Administration Office Resource Development	**Financial and Operational Performance**	
			• Adoption of shared services initiative by the Government of Alberta	• The ACSC becomes operational (April 2000), priorities are established and effectively deployed (April 2000)
			• Successful consolidation of transactional/ administrative services	• 80% of transactional/administrative services consolidated (December 2000) • Department libraries and FOIP successfully consolidated (December 2000)
			• Reduction in transactional costs	• 20% overall reduction in transaction costs over three year period • identification and realization of immediate opportunities for savings (5% reduction in first year) • reengineering plan established (July 2000)
			• Assessment of resources needed for the ACSC	• $1.8 million budget established for the ACSC from existing departmental budgets
			• Identification of human resources needed to support the ACSC	• ACSC core staff identified (April 2000)
			• Standards set for the quality and accuracy of transactions	• Base benchmarks (May 2000) to be established in negotiated service level agreements (September 2000)
			• Outsourcing opportunities identified	• Outsourcing strategies finalized (May 2000) and major service integrators selected (September 2000)
			Customer Satisfaction • Full ministry support for the shared services initiative	• Establishment of service level standards, pricing strategies and accounting practices (September 2000) • All ministries sign service level agreements (September 2000) • 5% savings reinvested in department core businesses (December 2000) • 85% of the service level standards set in the agreements are met (March 2001)
			Transition Management • Development of a comprehensive transition plan	• Transition plan implemented • Training and reassignment strategies developed and implemented (August 2000)
			• Affected employees' assessment of the adequacy of communication	• 70% of employees agree communication was adequate (December 2000)
			Corporate Culture • Creation of synergies and reduction in silos across government	• Base benchmarks to be established in first year (December 2000)
			• Increased leverage in business negotiations	
			• Cross government coordination and cooperation	

Government of Alberta Business Plan 2000–03

APPENDIX II

Initiative	Government Business Plan Goal	Ministry Champions	Strategies	Results/Targets
4. **Corporate Human Resource Development Strategy** **Overall Goal:** To maximize efficiency and effectiveness of human resource management in the Alberta public service.	Goal 7: Our workforce will be skilled and productive.	Personnel Administration Office Environment Resource Development	1. Strengthen the performance management and accountability frameworks.	1. 68% of employees report their organization provides expected outcomes for their work.
			2. Promote integration of human resource processes and strategies.	2. Demonstrated linkages between department human resource plans and achievement bonus criteria, and corporate human resource plan goals. (Qualitative measure.)
			3. Continue the implementation of strategies to build a strong public service of the future: • reinforce learning and leadership development initiatives with employees; • continue initiatives to market the Alberta Public Service as an attractive employer; • continue implementation of department leadership continuity plans.	3. 90% of managers report their employees have the skills to meet current needs. 80% of managers report their employees have the skills to meet future needs.
				4. Results achieved on the corporate human resource plan: • 71% of employees understand government goals and priorities; • 80% of employees understand how their work contributes to their department's business plan; • 55% of employees receive recognition for their contributions towards business plan goals; • 78% of employees agree there is organizational support for their learning to meet current needs; • 70% of employees agree there is organizational support for their learning to meet future needs; • 450+ work experience, co-op and internship placements; • developmental moves for 28 executive managers and 232 other managers; • 80% of employees are satisfied with their employment in the Alberta Public Service; • promote employee safety and well-being by maintaining or reducing: - time lost to accidents; - time lost to general illness; - LTD incidence rate; - costs of WCB; - costs of general illness.

Initiatives Being Monitored

The following were included as part of the four cross-government initiatives for the 1998 and 1999 business planning cycles. These initiatives were developed and implemented during the previous fiscal years. Continued implementation of these initiatives will be monitored on an ongoing basis.

- **The Alberta Children's Initiative**
- **Capital Planning**
- **People and Prosperity: A Human Resource Strategy for Alberta**
- **Knowledge and Innovation***

* This 1999 initiative is included in this year's new Economic Development Strategy.

APPENDIX III

Summary of Related Key Ministry Performance Measures

Each ministry has a set of key performance measures that track the results achieved in ministry programs and services. This appendix lists the ministry key measures that most closely support the government goals outlined in the Government Business Plan, to provide more detail on the results reported in *Measuring Up*. The results for these related key measures are reported in the ministry annual reports that are released each fall.

People

Government Goals & Core Measures	Related Key Ministry Measures
Goal 1 - Albertans will be healthy.	
• **Life Expectancy at Birth** • **Health Status**	• Ratings of ease of access to health services (HW) • Ratings of the quality of care received, and effects of care on health (HW) • Mortality rates for injury and suicide (HW) • Breast cancer screening rates (HW) • Percentage of population participating in sport and recreation activities (CD)
***Goal 2 - Our children will be well cared for, safe, successful at learning and healthy*.**	
• **Well-Being of Children**	• Percentage of children who stay free from abuse or neglect while receiving child protection services (CS) • Proportion of users of selected children's services reporting overall satisfaction with services they receive (CS) • Proportion of children and youth expressing satisfaction with advocacy provided by the Children's Advocate (CS) • Percent low birth weight newborn babies (HW) • Childhood immunization rates (HW) • Participation rate of eligible-age children in ECS programs (LEARN) • Percentages of students in grades 3, 6 and 9 writing provincial achievement tests and percentage of students writing grade 12 diploma examinations who achieved the acceptable standard and the percentages who achieved the standard of excellence (LEARN)

Abbreviations of Ministry and Entity Names:

AEDA	Alberta Economic Development Authority
AFRD	Agriculture, Food and Rural Development
CD	Community Development
CS	Children's Services
ED	Economic Development
ENV	Environment
GAMING	Gaming
GS	Government Services
HRE	Human Resources and Employment
HW	Health and Wellness
IIR	International and Intergovernmental Affairs
INFRA	Infrastructure
IS	Innovation and Science
JUS	Justice
LEARN	Learning
MA	Municipal Affairs
NADC	Northern Alberta Development Council (RD)
PAB	Public Affairs Bureau (Executive Council)
PAO	Personnel Administration Office (HRE)
RD	Resource Development
TREAS	Treasury

Summary of Related Key Ministry Performance Measures

APPENDIX III

People – continued

Government Goals & Core Measures	Related Key Ministry Measures
Goal 3 - Alberta students will excel. • **Educational Attainment**	• Percentages of students in grades 3, 6 and 9 writing provincial achievement tests and percentage of students writing grade 12 diploma examinations who achieved the acceptable standard and the percentages who achieved the standard of excellence (LEARN) • Percentage of high school students, parents (of ECS - 12 students) and the public satisfied overall with the quality of basic education (LEARN) • Percentage of adult Albertans satisfied with the quality of the adult learning system (LEARN) • Percentage of students who received a high school diploma or certificate or entered post-secondary studies within four and six years of entering grade 9 (LEARN)
Goal 4 - Albertans will be independent. • **Literacy and Numeracy Levels** • **Family Income Distribution**	• Participation of Albertans age 17 and over in credit and non-credit programs and courses collected through an annual Alberta survey (under development) (LEARN) • Perception of public, learners, parents, institutions and employers that learners are well prepared for lifelong learning, world of work and citizenship (under development) (LEARN) • Employment status of Alberta post-secondary graduates (LEARN) • Adult literacy (under development) (LEARN) • Percentage of participants employed post-intervention (HRE) • Percentage of participants whose training helped to prepare them for current or future employment (HRE)

Summary of Related Key Ministry Performance Measures

APPENDIX III

People – continued

Government Goals & Core Measures	Related Key Ministry Measures
Goal 5 - Albertans unable to provide for their basic needs will receive help.	
• **Economic Status of Albertans**	• Satisfaction of seniors with information provided (CD) • Appropriateness of income support provided to seniors (CD) • Percentage of eligible seniors receiving the Alberta Seniors Benefit (CD) • Percentage of Albertans who believe human rights are fairly well or very well protected in Alberta (CD) • Satisfaction of seniors housing clients with the quality of their accommodation and, where appropriate, the services they receive (CD) • Satisfaction of family and special purpose housing clients with the quality of their accommodation and, where appropriate, the services they receive (CD) • Assured Income for the Severely Handicapped (AISH) caseload (HRE) • Supports for Independence (SFI) caseload (HRE)

Summary of Related Key Ministry Performance Measures

APPENDIX III

Prosperity

Government Goals & Core Measures	Related Key Ministry Measures
Goal 6 - Alberta will have a prosperous economy.	
• **Gross Domestic Product** • **Job Growth**	• Manufacturing shipments (ED) • Contribution of Alberta's Agriculture, Food and Beverage Industries to provincial GDP (AFRD) • Farm Cash Receipts (ED) • Top among, or tied with, competitors on elements of the Alberta Advantage (ED) • Net New Business Increases in Alberta (ED) • Employment Growth (ED) • Alberta employment in Agriculture and Food and Beverage industries (AFRD)
Goal 7 - Our workforce will be skilled and productive.	
• **Skill Development**	• Percentage of participants in training who obtained an improved education or skill level (HRE) • Percentage of students (high school and post-secondary) who have enrolled in a second language course (under development) (LEARN) • Employment status of Alberta post-secondary graduates (LEARN)
Goal 8 – Alberta businesses will be increasingly innovative.	
• **Business Innovation**	• Research and development investment in Alberta by source (IS) • Scientists and engineers as a percentage of the labour force (IS) • Number of jobs in Alberta's Information and Communications Technology sector (IS)
Goal 9 – Alberta's value added industries will lead economic growth.	
• **Value-Added Industries**	• Manufacturing shipments (ED) • Manufacturing and service industry investment (ED) • Percentage contributed by Alberta's Food and Beverage Industry to Canada's Total Value of Shipments (AFRD) • Volume of primary resources that undergo secondary processing in Alberta (RD) • Tourism Industry Revenue (ED)

Summary of Related Key Ministry Performance Measures

APPENDIX III

Prosperity – continued

Government Goals & Core Measures	Related Key Ministry Measures
Goal 10 – Alberta will have effective and efficient infrastructure.	
• **Infrastructure Capacity**	• Construction progress on the North-South Trade Corridor (INFRA) • Highway pavement condition (INFRA) • Traffic capacity on rural primary highways (INFRA) • Progress on completion of major water management construction projects (INFRA) • Senior's lodge upgrading projects completed (INFRA) • Energy consumption per square metre (INFRA) • Operating cost per square metre (INFRA) • Natural gas pipeline capacity (RD) • Power pool participation (RD)
Goal 11 – Alberta will have a financially stable, open and accountable government.	
• **Cost of Government** • **Taxation Load** • **Provincial Credit Rating** • **Accumulated Debt**	• Alberta's credit rating (TREAS) • Provincial tax load on businesses (TREAS) • Return on investment compared to cost of debt (TREAS) • Total cost of debt (TREAS) • Accumulated debt (TREAS) • Taxation load on a family of four (TREAS) • Public satisfaction with government information (PAB) • Satisfaction with the FOIP program (MA)
Goal 12 – Alberta will have a fair and safe work environment.	
• **Workplace Climate**	• Percentage of collective bargaining negotiations which avert work stoppage (strike or lockout) (HRE) • Percentage of mediation appointments which avoid work stoppages (HRE) • Lost time claim rate for Certificate of Recognition holders compared to non-Certificate holders (HRE) • Provincial ranking of complaints registered with Employment Standards for investigations (HRE)

Summary of Related Key Ministry Performance Measures

APPENDIX III

Prosperity – continued

Government Goals & Core Measures	Related Key Ministry Measures
Goal 13 – Alberta businesses will increase exports.	
• **Export Trade**	• Manufacturing and service exports (ED) • Value of out-of-province shipments of agriculture and food products (AFRD) • Number of "Export ready" and active exporting companies in Alberta (ED) • Agri-food exports (ED) • Tourism industry revenue (ED) • Alberta's market share of Canadian international tourism visitors from Europe, Asia and the United States (ED) • Alberta's share of total Canadian tourism revenue (ED)

Summary of Related Key Ministry Performance Measures

APPENDIX III

Preservation	
Government Goals & Core Measures	**Related Key Ministry Measures**
Goal 14 - Alberta will be a safe place to live and raise families.	
• **Crime Rate**	• Public perception of safety (JUS) • Victimization rates (JUS) • Public satisfaction with the level of policing (JUS) • Percentage of Albertans who believe human rights are fairly well or very well protected in Alberta (CD) • Incidence of food safety problems (AFRD) • Mechanical safety of commercial vehicles (INFRA) • Individuals living in non-violent families (CS)
Goal 15 - Alberta's natural resources will be sustained.	
• **Resource Sustainability**	• Timber sustainability (ENV) • Land productivity indicator (AFRD) • Reduction of municipal solid waste to landfills (ENV) • Species at risk (ENV)
Goal 16 - The high quality of Alberta's environment will be maintained.	
• **Air Quality** • **Water Quality** • **Land Quality**	• Air quality index (ENV) • Surface water quality index (ENV) • Pulp production versus the amount of biochemical oxygen demand discharged (ENV) • Effectiveness of water and wastewater treatment facilities (INFRA) • Land productivity indicator (AFRD)
Goal 17 -Albertans will have the opportunity to enjoy the province's natural, historical and cultural resources.	
• **Heritage Appreciation**	• Knowledge-gained assessment (of Alberta history) by visitors to provincial historic sites, museums and interpretative centres (CD) • Designation of historical resources in Alberta (CD) • Visitation at provincial historic sites, museums and interpretative centres, and client demand at the Provincial Archives of Alberta (CD) • Area of parks and natural reserves in Alberta (ENV) • Parks visitation (ENV) • Customer satisfaction with experience at provincial historic sites, museums and interpretative centres (CD)

Summary of Related Key Ministry Performance Measures

APPENDIX III

Preservation – continued

Government Goals & Core Measures	Related Key Ministry Measures
Goal 18 - Alberta will work with other governments and maintain its strong position in Canada.	
• **Intergovernmental Relations**	• International and Intergovernmental Relations client survey (IIR) • Record of key intergovernmental and Aboriginal affairs achievements (IIR) • Canada Health and Social Transfer receipts from the federal government (TREAS) • Federal government aware of Alberta's position on Employment Insurance (TREAS) • Agreement by Finance Ministers on amendments to the Canada Pension Plan Act (TREAS)
Goal 19 – The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans.	
• **To be developed.**	• Aboriginal Policy Initiative – Government of Alberta Business Plan 2000 To 2003

APPENDIX IV

Cross Ministry Initiatives

Each year, the government business plan focuses on four key cross ministry initiatives (see Appendix II for the *2000-03 Government Business Plan* cross ministry initiatives). The 2000-01 initiatives are:

1. the Aboriginal Policy Initiative;
2. the Alberta Corporate Service Centre - Shared Services Initiative;
3. the Corporate Human Resource Development Strategy, and
4. the Economic Development Strategy.

The cross-ministry initiatives engage people from various ministries in finding innovative and effective ways of meeting people's needs. This co-operative approach recognizes that many issues are not isolated to a single ministry.

This appendix presents the government's progress in relation to the goals established for each initiative.

Cross Ministry Initiatives

APPENDIX IV

ABORIGINAL POLICY INITIATIVE

The Aboriginal Policy Initiative is intended to provide the Alberta government with a clear vision, goals and outcomes to work with Aboriginal people living in Alberta to address their needs and concerns. The Aboriginal Policy Initiative establishes the Government Business Plan's goal and related strategies for its relations with Aboriginal people. The goal states that: "The well-being and self-reliance of Aboriginal people will be comparable to that of other Albertans." The principal objectives of the first year were to develop and begin implementation of an Aboriginal Policy Framework which would outline the Government of Alberta's approach to Aboriginal affairs.

A draft Aboriginal Policy Framework was developed by Alberta ministries and approved for discussions with Aboriginal communities and other interested parties in September 1999. The revised Framework is the result of province-wide consultations involving 54 public meetings with more than 1200 attendees and 51 written submissions. The Framework contains 44 commitments to action by the Government of Alberta. It calls for all provincial ministries to address Aboriginal issues in business plans and annual reports.

Like the Aboriginal Policy Framework, the Aboriginal Policy Initiative has involved the efforts of all provincial ministries.

On the facing page are four major strategies identified for the 1999-00 fiscal year, along with the various targets that were set and results achieved.

There have been other significant accomplishments this year in support of the Aboriginal Policy Initiative. They include:

- initiated Amiskwaciy Academy (new Aboriginal high school in Edmonton);
- continued the comprehensive Native Education Policy Review;
- developed new high school Native Studies curriculum;
- signed Siksika Child Welfare Agreement (first delegation of off-reserve child welfare services);
- initiated Tsuu T'ina Court and Peacemaker Program with an Aboriginal judge and court workers;
- passed First Nations Sacred Ceremonial Objects Repatriation Act (first in Canada);
- held a provincial Aboriginal Youth Forum;
- approved a First Nations Gaming Policy; and
- initiated the development of a national framework on Aboriginal Participation in the Economy.

Cross Ministry Initiatives

APPENDIX IV

GOAL: THE WELL-BEING AND SELF RELIANCE OF ABORIGINAL PEOPLE WILL BE COMPARABLE TO THAT OF OTHER ALBERTANS.

Strategy: Cabinet approval of Aboriginal Policy Framework.

TARGET	RESULTS
Revise the "Proposed Aboriginal Policy Framework" and secure government approval.	Cabinet approval September 5, 2000; public release September 13, 2000.

Strategy: Develop new cross ministry and department specific well-being and self reliance strategies and measures.

TARGET	RESULTS
Develop department-specific well-being and self-reliance strategies.	Aboriginal specific content included in 15 ministry business plans.
Identify Aboriginal-specific performance measures.	Approved three measures for the Government Business Plan goal (life expectancy, educational attainment, and employment rate).

Strategy: Develop strategies and measures directed to improving the participation by Aboriginal people in the Alberta economy.

TARGET	RESULTS
Develop strategies for increased participation in the benefits of resource development.	Completed Metis Settlements Economic Viability study and conference, setting strategic directions for the future of the Settlements. Completed Natural Resource Initiative and Petroleum Employment Training pilot projects.
Develop appropriate consultation strategies for resource development on Crown land.	General strategic approach approved by Deputy Ministers. Initiated Little Red River/Tallcree forestry land use planning consultation pilot project. Initiated Dene Tha' oil and gas consultation and capacity building pilot project.
Develop traditional use study guidelines.	Initiated multi-party consultations regarding traditional use guidelines.

Strategy: Develop strategies to address the gaps and overlaps among federal, provincial and Aboriginal community programs and services.

TARGET	RESULTS
Develop inventory of provincial programs and services to Aboriginal people.	Completed inventory of Alberta programs and services to Aboriginal people.
Analyze gaps in provincial, federal and community programs, services and funding.	Completed federal and provincial working paper identifying opportunities for cooperative action. Developed agreement on a Federal/Provincial/Aboriginal Partnership Forum to address gaps and overlaps and identify future opportunities for cooperative action.

Cross Ministry Initiatives

APPENDIX IV

ALBERTA CORPORATE SERVICE CENTRE – SHARED SERVICES INITIATIVE

The Shared Services Initiative supports Government Business Plan goal 11 *"Alberta will have a financially stable, open and accountable government."*

In May 1999, the Alberta Government announced that it would adopt a shared services model for the delivery of administration, finance, human resources and information technology services. Before the Shared Services Initiative, most administrative support services in the government were provided independently within each ministry and in isolation from one another.

In year one, the challenge of the Initiative was to design an implementation plan that had a strong corporate culture, significant cost savings and reinvestment opportunities, increased efficiencies in service delivery, effective partnerships, and promotes innovation. One primary benefit of this plan would be to free up resources, enabling departments to concentrate on their core businesses.

The chart below identifies six of the strategies identified in the 2000-01 Government Business Plan and reports the results achieved in this first year of the Initiative.

GOAL: TO CREATE AND IMPLEMENT A PREMIER SHARED SERVICES MODEL IN ALBERTA THAT HAS A STRONG CORPORATE CULTURE, SIGNIFICANT COST SAVINGS AND REINVESTMENT OPPORTUNITIES, INCREASED EFFICIENCIES IN SERVICE DELIVERY, EFFECTIVE BUSINESS PARTNERSHIPS AND PROMOTES INNOVATION.

Strategy: Adoption of Shared Services Initiative by the Government of Alberta.

TARGET	RESULTS
The Alberta Corporate Service Centre (ACSC) becomes operational; priorities are established and effectively deployed.	The ACSC was established. Shared Services implementation plan and transition schedule approved. Core organization framework and resource requirements approved.

Strategy: Successful consolidation of transactional/administrative services.

TARGET	RESULTS
80% of transactional/administrative services consolidated (December 2000).	Joint management responsibility for service delivery established with 18 government departments. Realignment of service delivery initiated.
Department Libraries and FOIP successfully consolidated (December 2000).	Library consolidation plan approved and being implemented. 12 sites reduced to 7 sites - $300,000 annual savings projected. FOIP removed from shared services model based on business issues.

Cross Ministry Initiatives

APPENDIX IV

Strategy: Reduction in transactional costs.

TARGET	RESULTS
20% overall reduction in transaction costs over three year period.	150 surplus FTEs identified and redeployed into department programs. $8.5 million savings (5.9%) identified for 2000-01 – target exceeded.
Identification and realization of immediate opportunities for savings (5% reduction in first year).	Projects for early savings identified and being implemented. Initiatives included data centre consolidation, Agent (employee self-service), library shared services, mail and courier shared services, electronic expense claims, electronic payment systems and an action request tracking system.
Reengineering plan established (July 2000)	Reengineering plan established in July 2000 and implementation of approved recommendations is targeted to start in April 2001.

Strategy: Standards set for the quality and accuracy of transactions.

TARGET	RESULTS
Base benchmarks (May 2000) to be established in negotiated service level agreements (September 2000).	Base standards for service delivery across all departments established for administration, finance, human resources and information technology.

Strategy: Full ministry support for the Shared Services Initiative

TARGET	RESULTS
Establishment of service level standards, pricing strategies and accounting practices (September 2000).	Detailed service level agreements targeted for 2002-03. Current costs being refined through business process reengineering and due diligence projects.
All ministries signing service level agreements (September 2000).	All ministries entered into memoranda of understandings for 2000-01.
5% savings reinvested in department core business (December 2000).	5.9% (i.e., $8.5 million) savings invested.
85% of the service level standards set in the agreements are met (March 2001).	N/A - see above result.

Strategy: Development of a comprehensive transition plan.

TARGET	RESULTS
Transition plan implemented.	Transition plan established; staff transitioned to the ACSC in three phases - June, September and December 2000. Transitional reporting relationships established.
Training and reassignment strategies developed and implemented (August 2000).	Transition strategies developed and underway. Programs identified/designed to support these strategies. Customer service a priority.

CORPORATE HUMAN RESOURCE DEVELOPMENT STRATEGY

This initiative supports Government Business Plan goal 7 *"Our workforce will be skilled and productive."*

In 1997, the public service emerged from a period of major realignment and change. Deputy ministers recognized that these changes brought new issues that needed to be addressed, including the loss of almost 9,000 salaried employees, an aging staff, competition for scarce resources, and rapidly changing skills needs.

Their response to these challenges was to initiate the Corporate Human Resource Development Strategy. This strategy is intended to respond to these concerns by promoting continuous learning and leadership development, as well as attracting new graduates and skilled employees.

Success for the 2000-01 period was measured by focusing on performance indicators that concentrate on strengthening the performance management and accountability frameworks, promoting integration of human resource processes and strategies and continuing the implementation of strategies to build a strong public service of the future.

The facing page identifies these strategies, targets that were set, and results achieved.

Cross Ministry Initiatives

APPENDIX IV

GOAL: MAXIMIZE EFFICIENCY AND EFFECTIVENESS OF HUMAN RESOURCE MANAGEMENT IN THE ALBERTA PUBLIC SERVICE.

Strategy: Strengthen the performance management and accountability frameworks.

TARGET	RESULTS
68% of employees report their organization provides expected outcomes for their work.	70% of employees report their organization provides expected outcomes for their work.

Strategy: Promote integration of human resource processes and strategies.

TARGET	RESULTS
Every department human resource plan addresses all achievement bonus criteria and corporate human resource plan goals.	All departments have a human resource plan. Every plan addresses all corporate human resource plan goals and applicable achievement bonus criteria.

Strategy: Continue the implementation of strategies to build a strong public service of the future by ongoing implementation of department leadership continuity plans.

TARGET	RESULTS
90% of managers report their employees have the skills to meet current needs.	92% of managers report their employees have the skills to meet current needs.
80% of managers report their employees have the skills to meet future needs.	81% of managers report their employees have the skills to meet future needs.

Strategy: Continue the implementation of strategies to build a strong public service of the future through ongoing initiatives to market the Alberta public service as an attractive employer.

TARGET	RESULTS
450+ work experience, co-op and internship placements.	562 work experience, co-op and internship placements.
80% of employees are satisfied with their employment in the Alberta public service.	85% of employees are satisfied with their employment in the Alberta public service.

Cross Ministry Initiatives

APPENDIX IV

ECONOMIC DEVELOPMENT STRATEGY

In February 2000 the Alberta government released *Get Ready Alberta - Strengthening the Alberta Advantage*, a new economic development strategy recognizing the province's current strengths, anticipating changes we are likely to face and identifying ideas for action to capitalize on opportunities for our future.

Following in the tradition of previous economic development strategies (*Seizing Opportunity* and *Building on the Alberta Advantage*), *Get Ready Alberta* acts as a keystone document in providing vision, direction, and targets, within a policy context, to the further pursuit of the province's economic development.

The economic development strategy revisits Alberta's economic plan in the context of the world today and its changing future. Stretching beyond a three-year time horizon to 2005, it looks ahead, anticipating the changes we are facing and begins to help us prepare now so that we can sustain our economic growth and our position as a leading economic competitor in a global, knowledge-based marketplace.

Alberta's future economic wealth and diversification rely on making existing processes, products and services better; making entirely new processes, products and services; and serving existing and new markets better. Maintaining the momentum of Alberta's economic growth relies more and more on the convergence of the traditional with the new in building stronger relationships, products and markets.

While concentrating on the *Prosperity* core business of the province, the strategy also recognizes that maintaining the momentum of Alberta's economic growth is not an end in itself. It is the means by which a province is built where all citizens contribute and share.

The economic and social elements of the province are inter-connected and mutually reinforcing to strengthening the overall quality of life enjoyed by Albertans. Quality education, effective health care services, modern infrastructure, responsive social programs, and safe and secure communities support Alberta's attractiveness as a good place to live, raise a family, work, run a business, invest and visit. A strong economy provides the ability to deliver services Albertans demand.

The economic development strategy supports Goal 6 of the Government Business Plan: "*Alberta will have a prosperous economy.*" It does this by providing a framework to inform business-planning activities from a broader, yet more integrated perspective. The strategy sets out four specific goals:

1. **Unleashing Innovation:** Alberta is a world leader in innovation, research, development and commercialization of new ideas.
2. **Leading in Learning:** All Albertans have the opportunities they need to learn, adapt and develop new knowledge and skills.
3. **Competing in a Global Marketplace:** Alberta is internationally recognized as a good place to do business. Alberta's businesses compete and succeed in a global marketplace.
4. **Making Alberta the Best Place to Live, Work and Visit:** Albertans enjoy an unmatched quality of life in a province that's recognized as the best place to live, work and visit.

The selection of the Economic Development Strategy as a cross ministry initiative in Budget 2000-01 reinforces the importance of the collaborative approach required in maximizing the Alberta Advantage.

As a cross ministry initiative, the first year's objective was to ensure that the strategy was in use among ministries. The results indicate that the inaugural year of the initiative has been successful in reaching this objective. The results achieved during the first year of the strategy follow.

Cross Ministry Initiatives

APPENDIX IV

GOAL: A FUTURE OF BOUNDLESS OPPORTUNITY IN A PROVINCE THAT'S UNMATCHED.

Strategy: Ensure that "Get Ready Alberta" provides direction to existing government processes and activities.

TARGET	RESULTS
A report reconciling ministry business plans, other cross-government initiatives and the government business plan with "Get Ready Alberta" identifying specific initiatives that directly fulfill goals and strategies in "Get Ready Alberta" and possible gaps between strategies in "Get Ready Alberta" and government and ministry business plans.	Reconciliation and activity reports completed. Strong alignment between "Get Ready Alberta" and ministry business plans is demonstrated.

Strategy: Increase awareness of "Get Ready Alberta" and its messages about strengthening the Alberta Advantage among Albertans.

TARGET	RESULTS
Increased awareness (establish awareness benchmark, set target, measure awareness against target).	Awareness survey undertaken establishing benchmark at 15%.

Strategy: Provide an annual overview on the progress to date in achieving selected targets of "Get Ready Alberta".

TARGET	RESULTS
Summary report on progress made towards 2005 targets which follow below:	Summary report completed. Results as of January 2001 follow:
Unleashing Innovation	
Access to high speed internet able to support video and multi-media: Target to be established once baseline data are available.	Baseline established. Alberta SUPERNET contract announced.
Employment growth in the information and communications technology sector (ICT): 5,000 to 10,000.	Estimated 4,000 ICT jobs created in 2000.
Research and development investment: $900 million to $1.0 billion.	Estimated R&D investment of $920 million for 2000.
Leading in Learning	
35% of Albertans participating in post-secondary education.	1999 actual was 32% not 34% as estimated. 2000 actual is 33%.
70% high school completion rate.	Actual high school completion rate is 71% for 2000.
26% student enrollment in a second language.	1999 actual was 23% not 25% as estimated. 2000 estimate is 25%.
80% of participants in training indicate they obtained an improved education or skill level.	Estimated participants indicating they obtained an improved education or skill level is 86% (preliminary) for 2000-01.

Cross Ministry Initiatives

APPENDIX IV

Competing in a Global Marketplace

47,000 new jobs.	Estimated 34,900 new jobs for 2000. Below target; labour supply may be constraining job creation.
Progress on Alberta's debt load will be reported annually.	$4.5 billion committed to debt reduction from 2000-01 represents a 36% reduction in accumulated debt.
Value-added international exports reach $16.6 billion, 42% of total exports.	Estimated $21.4 billion in value-added exports for 2000.
Four-laning of North-South Trade Corridor (Grande Prairie to Coutts): 69%.	Estimated 69% complete for 2000.

Best Place to Live, Work and Visit

Tourism revenues: $4.5 billion.	Estimated $4.4 billion in tourism revenues for 2000.
The percentage of Albertans rating their health status as excellent or very good continues to exceed the Canadian average.	66% of Albertans aged 18 to 64 rated their health status as excellent or very good and 79% of Albertans over 64 rated their health status as excellent, very good or good in 2000. Results are estimated to exceed the Canadian average for 2000.
Municipalities connected to the Internet: 95%.	Estimated 97% connected to the Internet for 2000.
Workplace safety: person-days lost due to workplace injury and disease continue to be among the 3 lowest provinces in Canada.	Alberta is among the top three provinces for fewest person-days lost due to workplace injury and disease.
Crime rate – Incidence of crime per 100,000 population below the national average.	In 1999, Alberta's crime rates dropped. At the same time, national rates decreased more rapidly, widening the gap between the Canadian and Alberta rates.

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